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173 No.

EXTERNAL AFFAIRS DEPARTMENT.

SUBJECT: United States - Relations with Great Britain

(General) To 1929

I.

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1. 1927 - 27
2. 1927 - 29
3. Law 1219 Sc
4.
5.

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File No. ..... No. in File 4

EXTERNAL AFFAIRS.

SUBJECT:

U. S. A.

RELATIONS WITH GREAT BRITAIN.

PRIME MINISTER'S VISIT, 1929.

545.

Last Paper

3.

For discussions &c on Naval Disarmament proposals see: Disarmament Naval 1929 files 3 & 4.

See also. F.P.A(USA) Inf. Service Vol V No. 15

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1. Dominions Office telegram No.171 outlining subjects touched on during the interchange of views, Great Britain agreeing not to establish or alter military or naval stations in the Western Hemisphere and the U.S.A. ditto in the Eastern. It was also decided to examine the question of rights and immunities at sea fully and frankly, Hoover hoping that food-ships will be declared free from interference.
2. Copy of (1) to Defence 9/10/29.
3. Cable from Major Casey 8/10/29 - certain of H.M.G. in U.K. disturbed at the raising of the freedom of the seas issue: in any case, food-ships agreement inconsistent with Article 16 of the Covenant.
4. Defence Department have no observations on (1)
5. Cable from Major Casey 10/10/29 - statement in press omits certain portions of (1).
6. Dominions Office cable No.175 re text of statement to press.
7. Defence memo.
8. Map showing Western Hemisphere.
9. Minute by P.M. "In view of the fact that the British Government sees importance of question raised re food ships in relation to whole difficult question of belligerent rights - Casey's cable 8/10/29 indicating action by Snowden - no necessity for direct representations to British Prime Minister.-S.M.B."
10. Note on subject 21. x. 29
11. Memo on subject by Naval Staff.
12. Note on subject of limitation of British bases in W. Hemisphere (1) doc. (2) 25. x. 29
13. Press notice (1)
14. " " re BR
15. D.O. Telegram B168 giving summary of conversations with Pres. HOOVER. PM indicated difficulties of BR question and obtacles in the way of an agreement as to FOODSHIPS. He Agreed to have the matter reexamined on his return to England

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and Pres. HOOVER agreed as to the need for preliminary conversations before any conference, and that actual discussion might be postponed until after the Five Powers Naval Conference.

As regards Naval stations in Western hemisphere PM thought there would be no objection to place on record the absence of intention to modify the existing fortifications but though the first step should be a definite statement from the USA that they were not regarded as a menace. HALIFAX was a matter for CANADA

It will be noted that the results of the conversations are much more indefinite than (1) above would suggest.

Annexure 'A' is the press report of the conversations. The question of B.R. is to be considered by a special sub committee of C.I.D. and naval stations by Chief of Staff. Vol 12. XI. 29

16. Copy of (15) to Defence.

17. Memo on position re (1), (3) and (15).

18. D.O. Cable Circular B175 - calling attention to PM's speech at Guildhall & the statement that it has not been proposed to raise question of BR at the Naval Conference. Vol. 13. XI. 29

19. Extract from New York Sun re Naval Bases Vol 25. XI. 29

20. F.O. Print 15. X. 29 Section 1 - reporting generally unfavourable press comment on the McDonald - Hoover Conversations - 'labour foreign policy was based on an agreement with USA,' and the Anglo-USA hegemony believed to be impending is strongly resented.

21. F.O. Print 22. X. 29 joint statement to press - cf. (5) and (6) Vol 2. XII. 29

22. D.O. Despatch No 503 enclosing copy of (21) Vol 9. XII. 29

23. F.O. Print 22. X. 29 Section 3 - Ambassador's first impressions of the results of the PM's visit - well worth while for the sake of the personal contacts Vol 10. XII. 29

24. Report of Debate in HofC 5. XI. 29.

25. D.O. Despatch No. 533 and copy of 24 Vol 6. I. 30

26. F.O. Print 30. X. 29 Section 2 describing the PM's visit in detail

27. " 5. XI. 29 Section 1 summing up the possible objection to and support for the present position.

28. F.O. Memorandum on the Conversations between Pres. President 11/10. X. 29 dealing in detail with conversations reference I Naval Disarmament II Belligerent rights and the "Food Ships" proposal. III B.W. Naval bases. IV question of action to enforce world peace V Liquor Smuggling Vol 20. I. 30

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VERY CONFIDENTIAL.

Memorandum respecting the Conversations between the Prime Minister and President Hoover at Washington (October 4 to 10, 1929).

A FULL report is being furnished by His Majesty's Embassy on the public side of my visit to the United States, *i.e.*, the entertainments, speeches, public welcome, &c. In this memorandum I am therefore proposing merely to record the gist of my conversations with the President and the Secretary of State.

The President was anxious that the first conversations should take place as quietly and as informally as possible, and had therefore arranged that I should proceed to his "camp" on the Rapidan River, in the Blue Ridge Mountains, on Saturday, the 5th October, *i.e.*, the day after my arrival at Washington. The President and I left Washington by motor car after lunch, arriving at the camp some three hours later. The other members of the party consisted of Mrs. Hoover, Miss MacDonald, Colonel Stimson, Sir Robert Vansittart, Mr. Craigie, and members of the President's personal staff. The President and I drove out alone and reviewed the position.

The "close up" conversations started in the morning of Sunday, the 6th October, and, with one break for a walk, continued all day. Besides the President and myself, the Secretary of State, Sir Robert Vansittart and Mr. Craigie were present throughout. In the course of the morning Colonel Stimson sent for the Under-Secretary of State, Mr. Cotton, who arrived after lunch. Our talks were throughout friendly, informal, and necessarily rather discursive, and all present participated in them, but for the sake of brevity and clearness I have placed the arguments advanced by both sides in the mouths of the President and myself only.

I propose to deal in separate sections with each point discussed at Rapidan, and then to add to each section a note on any subsequent discussions after my return to Washington.

I.—NAVAL QUESTION.

We covered the whole field in a full and frank discussion, and endeavoured to eliminate all points that seemed likely to divide us at the Five-Power Conference.

Battleships.

I outlined our proposals, namely, reduction of maximum displacement of units of 35,000 tons to 25,000 tons, reduction of gun calibre from 16 inches to 12 inches, and increase of age from 20 to 26 years. The President said that the United States did not wish to construct any more battleships before 1936, because many naval officers believed that the days of the battleship were numbered owing to the development of aircraft, and he saw no point in putting vast sums into engines of war which might afterwards have to be scrapped as useless. In reply to my objection that a building holiday up to 1936 would lead to dislocation in the yards, to a sudden spurt of building after 1936, and to the retention in our fleet of vessels over 30 years of age, Mr. Hoover declared that he did not wish to replace these ships at all when they became too old for use; would we not be prepared to reduce the number of battleships specified in the Washington Treaty? I replied that my naval advisers were, I believed, opposed to any reduction in the number of battleships, and again urged the advantages of reducing the size of replacement ships. I pointed

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out that by extending the age limit we should be *ipso facto* reducing the number of replacements before 1936.

In subsequent conversations at the State Department, Mr. Craigie discovered that the United States might in the last resort be induced to accept our proposal for a reduction to 25,000 tons, provided that they were first allowed to build one 35,000-ton ship to compensate them for our possession of the "Hood" (41,000 tons) and the "Nelson" and "Rodney" (35,000 tons each). In other words, the Navy Board would undoubtedly refuse to come down to 25,000 tons for future ships as long as they felt that we had a decided advantage in the size of *existing* battleships. As regards the 16-inch gun, the State Department feared that the Navy Board would be adamant, as they considered that the possession of this gun gave them a valuable advantage over the navies of third Powers.

The above shows, I think, that elements favourable to a compromise are present and that there is no likelihood of any serious divergence between the two Powers in regard to this category of ship when the Five-Power Conference meets.

Cruisers.

We proceeded to discuss the cruiser problem in all its aspects and one new point of some importance emerged: the President had found that it was easier to bring the Navy Board to extend the yardstick in our favour by the use of the age factor than by the use of any other factor, and anything we could do by way of retaining one or two more of our older cruisers after 1936 would, he observed, greatly assist in bridging the gap represented by the 30,000 tons of 8-inch tonnage. For every 6-inch gun cruiser that we retained of 20 years' service and over it would be possible for the United States to allow a very considerable discount in our favour—a discount of 50 per cent. being mentioned during the conversations. Mr. Hoover hoped that, in view of our great need of cruisers for purely "police" functions we might still find it possible to retain a larger number of older cruisers for "police" purposes.

The President appeared as anxious as we were to get the American figure for 8-inch cruisers down to 18, but saw no way of doing this as long as we insisted on 339,000 tons of cruiser tonnage and a replacement programme of 14 ships. At the beginning of our conversation on this point Mr. Hoover took up the line that it would be impossible for him to get any further concession out of His Navy Board, but I gradually brought him to see that there could be no question at all of the gap being bridged simply by concessions on our part. At the end of our full and frank discussion, the President made it clear that he would meet us at least half way if we, on our side, could devise some means of helping in the elimination of this 30,000 tons.

It was decided that both sides should continue to examine ways and means by which this remaining gap might be bridged. We both realised that, even if a full agreement on the cruiser question were possible at this stage, its announcement would further arouse the sensibilities of other Powers. It was, in fact, desirable to retain a certain elasticity.

Destroyers.

The President welcomed my assurance that we would be prepared to come down to 150,000 tons of destroyer tonnage if the submarine fleet of other Powers were to be sufficiently reduced to make this possible. This figure would, he said, be acceptable to the United States. I warned him that if the French insisted on retaining the 90,000 tons of submarine tonnage now projected, our Admiralty considered it would be necessary to raise our destroyer tonnage to 200,000.

Submarines.

The United States would be prepared to come down to our present tonnage of 50,000 tons. It was subsequently stated at the State Department that the United States would have no objection to Japan retaining 70,000 tons of submarines if she wished, and a concession to Japan on this point might be held in reserve to help us over the cruiser difficulty.

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Aircraft Cruisers.

It was suggested at the State Department, after our return to Washington, that our Admiralty might be disposed to consider the reduction of the total tonnage for aircraft cruisers in the Washington Treaty from 135,000 tons to, say, 120,000 tons. The maximum unit displacement at present stood at 25,000, and it was further suggested at the State Department that a minimum unit displacement for these vessels should also be fixed so as to prevent them from dropping down into the cruiser class and so disturbing the delicate adjustments which we are endeavouring to secure.

Ten per Cent. Transfer between Categories.

The United States Government would be quite agreeable to this, though they thought the French would probably ask for more than 10 per cent. The transfer would have to be arranged in such a way as not to disturb the adjustments made to secure parity.

Japanese Delegates to the Conference.

In order to allay Japanese suspicions and to try to compose outstanding differences, the President said he was anxious to invite one or more of the Japanese delegates to come to Washington on the way to London, provided we saw no objection. I said that there could be no possible objection to the course proposed.

II.—RIGHTS AND IMMUNITIES AT SEA IN TIME OF WAR.

The President drew attention to the view widely held in the United States that good relations between the two countries could never be fully established until the problems associated with the capture of property at sea in time of war had been squarely faced. One of the most prominent supporters of this theory was Senator Borah, who remained of the opinion that the question of "the freedom of the seas" should be tackled before the conclusion of an agreement on naval disarmament. Mr. Hoover hinted, although he did not say it in so many words, that Mr. Borah's support was necessary (and there is little doubt that this is so) to enable any reasonable agreement on naval disarmament to pass through the Senate, and that, to secure this support, some approach to the subject of maritime rights would have to be made. Furthermore, the Naval Construction Act contained a clause inviting the President to negotiate treaties on this subject with other Powers before the meeting of the Naval Conference which, under the Washington Naval Treaty, was to be held in 1931. This conference was now to be held in January 1930 instead of August 1931. Mr. Hoover admitted that this provision in the Act was not mandatory upon him—nevertheless, he could not possibly afford to ignore it altogether. It was clear that the President and the Secretary of State realised the dangers and difficulties surrounding this question, but they felt impelled to suggest that the whole matter should be examined by a body of jurists representative of the important Naval Powers, who should conduct a thorough enquiry and report their views as to any "possible or constructive" method of reaching a settlement. Mr. Hoover then developed at some length his scheme that, as part of such a settlement, ships laden exclusively with food supplies should be declared immune from capture in time of war and thus placed in the same category as hospital ships or ships carrying medical supplies. This idea has long been in his mind, and is the direct outcome of his own experiences and activities during the war.

Seeing that the conservation of the food supplies of the United Kingdom in time of war was one of the principal preoccupations of every British Government, the President suggested that a general treaty prohibiting the capture of food supplies should prove to be of great value to us and should assist the progress of naval disarmament.

In reply, I drew attention to the risks involved in raising this question, particularly before the naval question had been safely got out of the way. A

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committee appointed by the late Government had been examining the whole subject, and had found it replete with dangers and complexities of every sort. To touch it now might mean sacrificing much that had recently been achieved in other directions. As regards the food-ships scheme, I said I would be quite prepared to look into it carefully, but I warned him that, judging by the information at present available, some at least of my advisers at home were likely to be opposed to it, on the ground that the cutting off of food supplies had long been regarded as a perfectly legitimate and a very powerful method of applying naval pressure. The application of this method of pressure might prove one day to be a necessary part of the measures to be taken by the Powers of the world against a Power or Powers guilty of going to war in defiance of the Kellogg Pact. Furthermore, even if a practicable method could be found of safeguarding foodships from attack from the air while in port—of which I was by no means sure—there remained the difficulty that such a treaty would presumably have no guarantee behind it. In other words, a treaty breaker would not apparently be subject to any international sanction. Lastly, the question of an apparent conflict with Article 16 of the Covenant of the League would have to be considered.

Mr. Hoover declared that it was very unlikely that the world would ever agree to another food blockade, whatever the provocation offered. Moreover, even after the conclusion of such a treaty, signatory States would remain free to close their frontiers to the export of food-stuffs to an outlaw State. As regards attack from the air while the food-ship was in a port of one of the belligerents, this could be overcome by assigning certain ports or sections of ports to the handling of food-ships only, and the ships would, of course, have a distinctive marking in the same way as hospital ships. On the point of a guarantee Mr. Hoover was only able to say that it was not reasonable to suppose that the United States, having itself taken the initiative in securing the conclusion of such a Treaty, would stand aside and watch the violation with indifference. Finally, Mr. Hoover hinted that the conclusion of a Treaty rendering food-ships immune from capture would probably make it unnecessary to proceed any further into this complex problem of the rights of neutrals and belligerents. This, I think, is also certainly in the minds of the Secretary of State and his department.

As the President was keenly insistent on the food-ships proposal, I give his arguments fully. They are expressed in the following memorandum communicated to me privately and unofficially before I left Washington :—

> "The President has made the informal suggestion that food-ships should be made free of any interference in times of war, thus removing starvation of women and children from the weapons of warfare and decreasing the necessity for naval arms for protection of the overseas lanes of food supplies. His suggestion would place all vessels laden solely with food supplies on the same footing as hospital ships.
>
> "He expressed the view that the rapid growth of industrial civilisation during the past half-century has created in many countries populations far in excess of their domestic food supply, and thus steadily weakened their natural defences. As a consequence, protection for overseas supplies has been one of the impelling causes of increasing naval armaments and military alliances. Again, in countries which produce surplus food, their economic stability is also to a considerable degree dependent upon keeping open the avenues of their trade in the export of such surplus, and this again stimulates armament on their part to protect such outlets. Thus, the fear of an interruption in seaborne food supplies has powerfully tended towards naval development in both importing and exporting nations. And in all important wars of recent years to cut off or to protect such supplies has formed a large element in the strategy of all combatants. He expressed the belief that the world must sooner or later realise this as one of the underlying causes of its armed situation. And, further, that steps should be taken that starvation should not be included among the weapons of warfare. He felt that definite organisation under neutral auspices for protection of food movements in time of war would constitute a most important contribution to the rights of parties, whether neutrals or belligerents, and would greatly tend toward lessening the pressure for naval strength.
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> "The President recognises that such a suggestion could become practicable only by world-wide revision of existing treaties and the international understandings among many nations, and only after further realignment of world thought which should flow from the Paris Peace Pact."

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Seeing that the President and his Administration were evidently of opinion that the question of the freedom of the seas must now be raised in one form or another, and that, if we adopted a *non possumus* attitude, we should shortly be faced with the summoning of an international conference or commission of jurists, I said I was quite prepared to go into the whole subject carefully when I returned home, but that, if the matters were to be discussed internationally, the right method would be to begin by preliminary and informal discussions between our two Governments on the lines of the recent naval conversations. Even such discussions should be postponed at least until after the Five-Power Naval Conference. After some hesitation, Mr. Hoover agreed on the first point, though he added that separate conversations on this subject between the United States and ourselves were likely to arouse suspicious criticism in many quarters, both in the United States and abroad. He agreed that actual discussions might be postponed until after the Five-Power Conference, but declared that, if he was to carry with him Senator Borah and others who shared the Senator's views, it was important to issue a statement during my visit to the effect that we were ready to discuss this question at the appropriate time.

We accordingly drafted a formula for communication to the press, which was conveyed to the Foreign Office in Sir E. Howard's telegram No. 493 of the 6th October (Appendix A) and communicated also by telegram to His Majesty's Governments in the Dominions. I should have preferred that Mr. Hoover's plan for the immunity of the food-ship should not have emerged at that moment, but he was evidently quite determined to put it forward at some early date, and it was obvious that if I objected to its appearing in any form in our proposed communiqué there was a danger of its being issued in a more objectionable form after I had left the United States. This formula merely committed us to examine fully and frankly the question of "rights and immunities at sea during war." It committed us to nothing at all so far as the food ship plan was concerned. To have refused to go even so far as this would have meant greatly increasing the risk of the President's reverting to the idea of a general International Conference on the subject at large.

As a result, however, of further consultation with my colleagues in England I succeeded subsequently in securing Mr. Hoover's reluctant assent to the elimination of his unilateral statement in regard to food-ships, and further told him that, after consulting my Cabinet, I had reached the conclusion that it would be very inadvisable for any overt reference to the subject of belligerent rights to be made in our joint communiqué. I repeated my promise to go into the whole subject on my return to London, and said I would be prepared, after this preliminary examination had been completed, to discuss the matter informally with the United States Government.

Mr. Hoover and Colonel Stimson were clearly chagrined and disappointed by this decision. They pointed out, with considerable force, that the fact of this question having been discussed was bound to leak out, since we could not issue any categorical denial to the questions which would inevitably be asked. We should, so to speak, be missing the great advantage of making a joint announcement at the present most favourable psychological moment without in any way modifying the position or altering the course of subsequent events. They recognised, however, the difficulty of my position at such a distance from home and eventually agreed to the omission of any specific reference to the maritime rights issue. The text of the communiqué as finally issued is annexed as Appendix B.

I had no intention of raising the question of rights of belligerents at sea myself, and I had no notice that it would be raised, but there was no obligation on the President not to raise it nor could I possibly have refused to listen to what he had to say on the subject. I was unprepared to discuss this thorny subject in any detail, nor was this proposed either by Mr. Hoover or Colonel Stimson. But, once I discovered that the United States Government felt bound to raise it in some form, the best course was clearly to restrict discussion as far as possible to a preliminary exchange of views between the two Governments. It is now common knowledge that this issue was raised during the Washington conversations, and will shortly emerge again in one form or another. Rightly or wrongly the question has in the United States come to be closely associated with the question of naval disarmament, and it is useless for us to proceed as if no such association did in fact exist. The issue must now be faced, and our best course is so to arrange matters that we face it under conditions as favourable as possible to ourselves.

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III.—BRITISH NAVAL STATIONS IN THE WESTERN HEMISPHERE.

In introducing this subject the President observed that our naval stations in proximity to the United States had been made the pretext for a good deal of hostile propaganda against the idea of a naval agreement with ourselves. Those who were opposed to an understanding alleged that the possession of these naval stations gave to the British Empire a great strategical advantage of which account should be taken in any naval agreement, and the reiteration of this view by those favouring a big American navy had undoubtedly had its effect in the country as a whole. No responsible authority in the United States regarded these stations as a real menace to the United States, but there was a great deal of misapprehension on the subject in the popular mind, and the chances of a satisfactory agreement on the naval question would undoubtedly be improved if this controversy surrounding those naval stations could be stilled once for all. Mr. Hoover said that, if His Majesty's Government would be prepared to declare that Great Britain had no intention of causing her stations in the Western Hemisphere to be a menace to the United States, the United States Government would make a similar declaration in regard to their stations in the Eastern Hemisphere. Mr. Hoover admitted frankly that this *quid pro quo* would be of little use to us, except as a matter of form, because the United States had only one naval station in the Eastern Hemisphere, namely, Corregidor, in the Philippines, and this was already covered by article 19 of the Treaty of 1922 for the Limitation of Naval Armament. He hoped that, nevertheless, we would consider the matter carefully.

I replied that our naval stations at Bermuda and in the Caribbean were only fortified to the extent necessary to defend them against raiders or a weak force, and could not by any flight of the imagination be regarded as a menace to the United States. Nevertheless, I took note of what the President had said about the use which was being made of the existence of these stations by those who were opposed to a naval agreement. We had, of course, no intention of so modifying the existing fortifications or establishments as to turn them into a menace to the United States, and I did not believe there could be any serious objection to placing this absence of intention on record. But I thought that we ought to begin with a definite statement from the American side that these stations were not regarded at present as a menace by the Government of the United States. Mr. Hoover promised to secure a statement to this effect from the United States Navy Board, though he added somewhat grimly that this would probably be no easy task. He proved, indeed, to be right, and several days of wrestling were necessary to extract from them a grudging admission that Bermuda and Jamaica constituted "no *appreciable* menace" to the United States. This incident illustrates the mentality with which the President and the Secretary of State have to cope.

When the question of Halifax was mentioned, I said that this was a matter for the Canadian Government, and I could not anticipate at all what their view would be. The Caribbean and the Canadian naval stations seemed to me to be in quite separate categories, and the difficulty as regards the latter appeared to be that Canada might reasonably expect some corresponding declaration from the American side in regard to naval stations in the United States in proximity to the Canadian-United States frontier. On this latter point, it was intimated to me that there was little prospect of any declaration being forthcoming in regard to United States naval stations in the Western Hemisphere.

A formula was accordingly drafted which limited the scope of the declaration to the naval stations of *Great Britain* in the Western Hemisphere and to those of the United States in the Eastern Hemisphere. This formula was transmitted to the Secretary of State for Foreign Affairs in Sir E. Howard's telegram No. 493 of the 6th October (Appendix A), but having regard to certain considerations advanced by the Chiefs of Staff, I eventually decided that the matter must wait over until I had returned to London and had had an opportunity of explaining more fully to my colleagues than was possible by telegram the purpose and scope of what was proposed.

As in the case of the maritime rights, so in the case of the naval stations question, Mr. Hoover was greatly disappointed that no public declaration could be made on this subject at the termination of my visit to Washington. Psychologically speaking, an opportunity for producing the maximum of effect in the United States has been missed. Nevertheless, the wording of the formula was clearly a matter which required care and deliberation, and I came to the conclusion that, on balance, it would be preferable to postpone the matter until I had been able to consult more fully with my colleagues and the Chiefs of Staff.

IV.—CO-OPERATIVE

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IV.—CO-OPERATIVE ACTION FOR THE REINFORCEMENT OF WORLD PEACE.

President Hoover introduced the above subject at an early stage in our proceedings at Rapidan. Instancing the recent examples of the Bolivia–Paraguay and the Russo-Chinese disputes, he observed that efforts by other Powers to intervene in such disputes in order to prevent their assuming serious proportions or in order to circumscribe the area affected were usually regarded by the disputants as an unwarranted interference. Some further machinery was needed to give the more pacific Powers a *locus standi* for exercising a restraining influence on their more unruly neighbours. Although he did not say so, I think President Hoover had particularly in mind States which either did not belong to the League of Nations or which, if belonging, were for one reason or another less subject to League influence than are the majority of European States. What was wanted, Mr. Hoover thought, was some means of "reinforcing the machinery for the pacific settlement of controversies." To this end he suggested the addition to the Treaty for the Renunciation of War of a third article providing that, in the event of any controversy occurring in which a satisfactory settlement is not reached as the result of direct negotiation or of a recourse to arbitration, the matter should be investigated by a commission, to be selected by the parties to the controversy, composed of the parties themselves and of a number of impartial members. The function of this commission would be to examine all the facts concerning the controversy, to endeavour to conciliate the divergence of view and to publish the facts. The article would further provide that a suggestion made by States not parties to the dispute for the putting into force of the above procedure would not be considered as an unfriendly act. Mr. Hoover laid down the axiom—an interesting one when proceeding from a President of the United States—that all nations have a legitimate interest in the preservation of peace and that all are injured by a breach of the peace. The President maintained that his proposal differed from existing forms of conciliation machinery in that it provided an additional step—a stage for voluntary action by the parties to the controversy in virtue of their acknowledgment of the new basis for international relations established by the Pact of Peace.

I expressed great interest in this proposal, but pointed out that as it stood it would appear to conflict with the Covenant of the League. The matter was discussed at considerable length, but it became clear as the discussion proceeded that the President's advisers—and especially Mr. Cotton, the Under-Secretary of State—were far from convinced that the people of the United States would be prepared to enter into so far-reaching an engagement at the present time. Mr. Cotton considered that, in present circumstances, it would be difficult for the United States to undertake any obligation more binding than the form of "consultation" provided for in Article 22 of the Treaty for the Limitation of Naval Armament. Considerable difficulty was experienced in arriving at any agreed formula, and finally it was decided to leave it for each Government to consider whether any advance in the direction indicated could usefully be made at the present time and, if so, in what direction that advance should be.

V.—LIQUOR SMUGGLING.

President Hoover and his advisers displayed great interest in the subject of co-operation for the prevention of liquor smuggling. The President is now heading a new drive for law-observance. He himself was mainly concerned to secure our assent to a project that has frequently been mooted before, namely, the prohibition to export liquor from the United Kingdom to any destination where its import is prohibited, and the imposition of sanctions on any person guilty of making a false declaration of destination. I informed the President that such a scheme would in the United Kingdom necessitate the introduction of legislation; that there was a great deal of feeling in my country against any *ad hoc* legislation which might have the effect of placing a burden upon the United Kingdom taxpayer and a heavy responsibility upon the United Kingdom customs officials for the enforcement of a law of a foreign State; and that any such Bill, if introduced, might not only provoke undesirable controversy, but might well fail to pass at all. In practice no liquor was

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ever declared in the United Kingdom for export to the United States; liquor destined ultimately for the United States was always declared for some intermediate destination. Moreover, the changing of a destination while the goods were in transit was a perfectly normal practice in legitimate trade, and any interference with the practice necessarily interfered with all trade.

Mr. Hoover here interposed to say that he only proposed that we should make it an offence to change destination in transit when the ultimate destination was a country in which the import of the article concerned was prohibited; this could not interfere in any way with legitimate practices. He added that possibly the United States could assist us in return by taking particularly strict measures to stop the export of drugs from the United States to Great Britain.

I assured the President that I was anxious to help in this matter in any practicable way as we had no desire at home to be placed in the invidious position of defending the bootlegger. I promised to go into the whole question on my return with the utmost desire to give such further assistance as could reasonably be expected of us. My feeling was, however, that more could be done by developing, where possible, the administrative measures which we already took to assist the United States than by the actual introduction into the United Kingdom Parliament of *ad hoc* legislation. The President finally suggested that an American Commission, constituted like the Andrews Commission, of July 1926, should be sent to London to discuss with us ways and means of improving the present situation. But I urged that no definite decision in regard to procedure should be taken until after we had returned home and had had time to ascertain what further action, if any, it would be possible for us to take.

The conversation then turned to the position as between Canada and the United States, and it soon became clear that the President and Secretary of State set much greater store on steps being taken by Canada to prohibit the export of liquor to the United States than on similar steps being taken in this country. The position on the Canadian border was seriously preoccupying the American authorities, and, as I was on the point of visiting Canada, Mr. Hoover explained some of the difficulties in case I should have an opportunity of discussing them with Mr. Mackenzie King when I saw him. This I gladly agreed to do, and Mr. Hoover caused a statement summarising his views to be communicated to me before I left Washington. A copy of this forms Appendix C to the present memorandum.

On my instructions Mr. Craigie also discussed with the State Department in some detail the working of the Treaty of 1924 for the suppression of liquor smuggling, the effect of the administrative measures now being taken in the Bahamas and elsewhere to assist the United States in its efforts to prevent the smuggling of liquor, and the steps, if any, which we could take to render further assistance in this matter.

GENERAL CONCLUSIONS.

I cannot conclude this memorandum without bearing testimony to the exceptional cordiality of the welcome which I received everywhere in the United States. From the time of our landing in New York a note of real enthusiasm was struck which surpassed all anticipations, and nothing could have exceeded the evident desire of the President, his Cabinet, members of the Legislature and of the people who lined the routes to make the visit a real success. I think a word of gratitude is due here to His Majesty's Ambassador at Washington, who since 1924 has worked untiringly and with singular success to promote a better feeling in the United States towards the British Empire. There was, I believe, a spontaneous desire on the part of the vast majority of Americans to make of this visit the beginning of a new and better era in the relations between us, which had been seriously impaired by the Anglo-French Naval Compromise of last summer.

Nevertheless, the crystallisation in the United States of this sentiment in favour of a more understanding relationship between the English-speaking peoples has not been the only or even the principal result of this visit, as I view it. There are in power to-day as President and Secretary of State men who in character and outlook differ materially from their predecessors. The personal contacts which I have been able to establish with these American statesmen are likely to prove of the utmost value in the months immediately ahead of us. I believe that Mr. Hoover and Colonel Stimson desire to try the experiment of a close working understanding with this country—not to serve any selfish or nationalistic purpose, but to promote the cause

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of world peace and disarmament. "Active and practical goodwill" has been the keynote of Mr. Hoover's references to the future of Anglo-American relations, and there is no doubt in my mind that he means what he says. He is not sentimentally pro-British, but rather is desirous, as a practical man, to work for the general good of the world with the country which he thinks he understands best, and with whose policies he finds himself more often than not in agreement. He is also, I think, at heart desirous of liquidating all foreign difficulties, in order to concentrate on internal policy and development. This is a policy which we can scarcely fail to welcome, not only in the more narrow orbit of our direct relations with the United States, but in the wider sphere of our relationship with Europe and with the countries of the Far East. The question now is whether we are going to welcome the prospect that is offered to us in a wide and generous spirit, or whether, by adopting a purely traditional attitude towards problems which have lost much of the significance of former years, we are going to risk the loss of a mighty accretion to our security and prestige in the years to come.

(Signed) J. RAMSAY MACDONALD.

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APPENDIX A.

Sir E. Howard to Mr. A. Henderson.—(*Received October* 7, 9·30 A.M.)

Washington, October 6, 1929.
(*October* 6, 12·49 A.M.)

(Nos. 493 and 494. Important. Very Confidential.) R.

FOLLOWING from the Prime Minister :—

"It is proposed to issue from the White House on Wednesday evening, for publication on Thursday morning, a statement outlining range of subjects touched upon during prolonged interchange of views which has taken place at the President's camp to-day. Amongst points to be mentioned in the statement are the following :—

"*Naval Stations.*

"'With a further view to reducing fear and the friction that comes from fear we have obtained opinion of our general Board of the Navy that the existing military and naval stations of Great Britain in the Western Hemisphere are not in a condition to be a menace to the United States. Great Britain will not hereafter establish any military or naval stations in her possessions in the Western Hemisphere, nor alter any such existing stations in such a way as in either case to become a menace to the United States.

"'Reciprocally, United States makes the same agreement as to Eastern Hemisphere. It is understood, however, by both parties that the above declaration does not alter or supersede the provisions of article 19 of the Washington treaty of 1922 for the limitation of naval armament.

"'Such Western Hemisphere is to be defined as that portion of the globe lying west of 30 meridian and east of the 170 meridian, and Eastern Hemisphere as remainder of the globe.'

"*Rights and Immunities at Sea.*

"'We recognise that some of the most troublesome questions in international relations are those arising out of rights and immunities at sea during war.

"'Controversies and disputes engendered by this subject have in the past been pregnant with the danger of aggravating or extending hostilities. Misunderstandings and fears arising from this source have been frequent but, we believe, an avoidable cause of friction between our two countries. We have resolved, therefore, that we will examine this question fully and frankly.

"'The President hopes that food-ships will be declared free from interference in time of war, thus removing starvation of women and children from the weapons of warfare and reducing the necessity for naval arms for the protection of avenues of food supplies. Such a proposal would protect all vessels laden solely with food supplies in the same fashion as hospital ships are now protected.'

"I should be grateful for any observations you wish to offer on the above by Tuesday morning. A similar request has been addressed to Canadian Government.

"Please inform other Dominion Governments.

"I will send further explanatory telegram to-morrow."

(Repeated to Ottawa.)

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APPENDIX B.

Joint Statement by President Hoover and Mr. Ramsay MacDonald.

(Published in the morning Papers of October 10, 1929.)

AT the moment of leaving Washington the following joint statement was issued :—

"During the last few days we have had an opportunity, in the informal talks in which we have engaged, not only to review the conversations on a naval agreement which have been carried on during this summer between us, but also to discuss some of the more important means by which the moral force of our countries can be exerted for peace.

"We have been guided by the double hope of settling our own differences on naval matters and so establishing unclouded goodwill, candour and confidence between us, and also of contributing something to the solution of the problem of peace in which all other nations are interested and which calls for their co-operation.

"In signing the Paris Peace Pact, fifty-six nations have declared that war shall not be used as an instrument of national policy. We have agreed that all disputes shall be settled by pacific means. Both our Governments resolve to accept the Peace Pact not only as a declaration of good intentions but as a positive obligation to direct national policy in accordance with its pledge.

"The part of each of our Governments in the promotion of world peace will be different, as one will never consent to become entangled in European diplomacy, and the other is resolved to pursue a policy of active co-operation with its European neighbours; but each of our Governments will direct its thoughts and influence towards securing and maintaining the peace of the world.

"Our conversations have been largely confined to the mutual relations of the two countries in the light of the situation created by the signing of the Peace Pact. Therefore, in a new and reinforced sense, the two Governments not only declare that war between them is unthinkable, but that distrusts and suspicions arising from doubts and fears which may have been justified before the Peace Pact must now cease to influence national policy. We approach old historical problems from a new angle and in a new atmosphere. On the assumption that war between us is banished, and that conflicts between our military or naval forces cannot take place, these problems have changed their meaning and character, and their solution, in ways satisfactory to both countries, has become possible.

"We have agreed that those questions should become the subject of active consideration between us. They involve important technical matters requiring detailed study. One of the hopeful results of the visit which is now terminating officially has been that our two Governments will begin conversations upon them following the same method as that which has been pursued during the summer in London.

"The exchange of views on naval reduction has brought the two nations so close to agreement that the obstacles in previous conferences arising out of Anglo-American disagreements seem now substantially removed. We have kept the nations which took part in the Washington Naval Conference of 1922 informed of the progress of our conversations, and we have now proposed to them that we should all meet together and try to come to a common agreement which would justify each in making substantial naval reductions. An agreement on naval armaments cannot be completed without the co-operation of other naval Powers, and both of us feel sure that, by the same free and candid discussion of needs which has characterised our conversations, such mutual understandings will be reached as will make naval agreement next January possible, and thus remove this serious obstacle to the progress of world disarmament.

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"Between now and the meeting of the proposed conference in January our Governments will continue conversations with the other Powers concerned, in order to remove as many difficulties as possible before the official and formal negotiations open.

"In view of the security afforded by the Peace Pact, we have been able to end, we trust for ever, all competitive building between ourselves, with the risk of war and the waste of public money involved, by agreeing to a parity of fleets, category by category.

"Success at the coming conference will result in a large decrease in the naval equipment of the world, and, what is equally important, the reduction of prospective programmes of construction which would otherwise produce competitive building to an indefinite amount.

"We hope and believe that the steps we have taken will be warmly welcomed by the people whom we represent as a substantial contribution to the efforts universally made by all nations to gain security for peace—not by military organisation, but by peaceful means rooted in public opinion and enforced by a sense of justice in the civilised world."

APPENDIX C.

Statement of Mr. Hoover's Views on United States–Canadian Relations

October 9, 1929.

THE United States is making the most notable effort in all history to suppress alcoholic beverages. This effort is one that is of profound importance to the whole of humanity, and the United States is pioneering it in certain directions, and is, therefore, doing service to all nations. It would appear that it should receive the sympathetic support of other nations, for, whether it succeeds or not, it will at least have exhausted some portion of the wide variety of methods for the remedy of a great human evil.

We have had numerous conferences with Canadian authorities with respect to measures that could be taken to assist in suppression of the flow of alcoholic beverages over the border. The Canadian authorities have co-operated to the extent of giving information to the American officials as to proposed shipments, and in other ways which have been most helpful. However, so long as the Canadian Government allows liquor to be cleared for American ports or allows their clearance for other ports when really destined for the United States, there will be a constant stream of Canadian liquor into the United States. It is not possible, on 3,000 miles of frontier, to erect sufficient border patrol to prevent it because the initiative is always in the hands of the smuggler.

This movement of liquor is the source of constant friction between the two nations. Only desperate men of criminal type engage upon it. They are criminals under the laws of the United States. They go armed, and often arm their ships. Such equipment is an indication of their intent to kill, and they have often killed the United States officers. It is impossible on our side to employ the type of men on border patrols who have knowledge of international law and delicacy in dealing with killers, and when, perchance, they execute their duty an inch over the line, they are the cause of an international incident. The sensational press envisages war with the British Empire whenever an American patrol boat fires on a Canadian bootlegger, or *vice versâ*, and if, perchance, one of this criminal class should be killed or captured, he becomes an international celebrity. The diplomatic officers of Great Britain are placed in the difficult position of defending the rights of criminals. All this leads to constant and disagreeable irritation. The Canadian officials in contact with our officials in the past have insisted very frankly that the export of alcoholic beverages is an important item in Canadian trade. We realise there is no obligation upon Canada to trouble herself over our problems. We bear her no ill-will in the matter, for she is entirely within her rights in leaving it alone. The benefits to Canada by full co-operation with the United States to help in a social question would lie in better feeling in the United States, which would, I am sure, interpret itself in time into co-operation in other directions which would be of assistance to her.

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There is no real solution to the problem unless the Canadian Government would undertake to prohibit shipment of all liquor to the United States. At the present time the great bulk of shipments (as per my official information, 90 per cent.) are cleared directly for American ports. If the only shipments were upon false papers the traffic would greatly diminish, as the smuggler would thus be in conflict and in danger from the laws of both countries.

Mr. Mackenzie King has recently taken an interest in the matter and expressed a desire to clear it up. The British Government also controls a certain amount of liquor flow into the United States through the West Indies, and some direct from British ports. The question, therefore, involves Great Britain directly also.

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[A 7371/3895/45]

No. 1.

Mr. Campbell to Mr. A. Henderson.—(*Received November* 5.)

(No. 1981.)

Washington, October 24, 1929.

Sir,

THE great personal success achieved by the Prime Minister during his visit to this country, and the fact that Anglo-American relations (already to some extent improved by the accession to power of the present Administration) have thereby been raised to a plane of veritable cordiality, are now, as far as I am able to judge, in the general opinion, axiomatic. From all parts of the Union, and from every kind of person, comes news to support this. It does not detract from the significance of the present portent to remind oneself that this nation, like its constituent citizens, delights more than any other to expand itself in manifestations of hospitality and goodwill towards "the visiting fireman," if a local colloquialism may be forgiven. The movement of goodwill and the hospitality remain genuine for all that. But it is convenient to remember the national tendency in case eventual criticisms or matter-of-fact appraisals or a regression of the flood of so warmly expressed acclamation should tempt us to wonder whether the cordiality was actually what we had thought, whether what would mean much on our side meant less on that of the United States, and whether, after all, the fruits we had hoped to gather were there for the gathering. The feelings engendered by the Prime Minister, are, I am convinced, genuine, both among the people at large and among public men. But to gain the full benefits, it is, I think, important that we should by every proper means try from our side to keep them at their present pitch of warmth. There would, I think, be no need for this were there no specific and controversial matter the early settlement of which was desired. Then, the less thorny and less urgent problems could be left for gradual solution in, and with the help of, the better feeling which, even if its enthusiastic days were over, would undoubtedly remain. But the naval question has for so long been canvassed here with so much feeling and with such meticulous discussion that there is always the possibility of the old bogeys again being waved by the unregenerate and attracting attention which, were public opinion in a state of enthusiasm, would not be given to them.

2. Even during Mr. MacDonald's visit the inveterately navalistic circles kept repeating their familiar themes. But their discords were swamped in the general acclaim. They remain persistent, but do not, I think, at present impinge upon the public consciousness. In the months remaining before the conference meets it is possible, however, that they may succeed in resuscitating discussion of details connected with a naval agreement, unless the emphasis on the perfect personal understanding of each other of the Prime Minister and the President and their strong conviction that an agreement on parity will be reached between their two countries is maintained.

3. The lines followed by such criticisms as these have been, and the quarters in which they have been voiced, are familiar. Play is made with the old fears of the League of Nations, based largely on the French Government's reply to the invitation to attend the conference in London, though even before this there were some expressions of fright. The guile of British and the simplicity of American diplomacy is referred to. Attempts are made to make out that something scarcely distinguishable from an alliance, or at any rate an *entente*, between Great Britain and the United States has been concluded, and this as part of a special policy on the part of His Majesty's Government unfriendly to France. The West Indian naval "bases" are also used for as much as they are worth, and the ancient difference between American and British views on the use of sea power against neutral commerce is underlined. Practical and not theoretical parity (*i.e.*, parity ship for ship, ton for ton and gun for gun) is also urged, as well as immediate parity and no postponement till 1936. Great Britain and the President incidentally are accused of unwarrantably associating the United States with the British desire for abolition of the submarine. The Washington Conference is once again held up as a disastrous diplomatic defeat for this country. Prominent amongst the critics have been, of

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course, the " Chicago Tribune," the " Washington Post " and Senator Moses. The " Detroit Free Press " echoes the desire of the " Chicago Tribune " and Senator Moses for practical parity.

4. I have gone into these details to show that the old taboos and the old arguments die hard, and there are still deaf adders here who, if given the opportunity, would readily assume the rôle of snakes in the grass. At present, as I have said, this chance is denied them by the state of public opinion, and it seems important to maintain public opinion, if possible, in that happy state.

5. The figure of the Prime Minister is one which strongly appeals to the American public. Here is a British statesman whom they can admire without reserve. There is no taint of " Toryism " (with its special American significance) which attaches to members of a Conservative Government. That not inconsiderable but silent part of the population who are friendly—and increasingly so—towards Great Britain have felt justified in seizing the opportunity of their enthusiastic admiration for Mr. MacDonald to manifest their feeling for Great Britain without fear. Those, also numerous, in whom there is still a semi-conscious suspicion and dislike of our country have been given no opportunity to revive those sentiments from their increasingly quiescent and dormant state, and they, like the others, have been swept off their feet by the personality of the Prime Minister. The optimistic idealism and the faith which he has expressed, all are accustomed to hear from their public men, but in the latter they are regarded as conventional statements, and it is doubtful whether anyone takes the trouble to wonder whether they are sincere or not. Mr. MacDonald has made Americans feel that, if he speaks in this tone, it is because he sincerely and enthusiastically believes what he says, and he has thus moved the most unsensitive. It is thus that he has been able to create an atmosphere in which, if it is maintained, the great majority of the public will, I believe, be ready to accept anything the President agrees to as " parity " and will refuse to listen to the navalists. What last year might have savoured of indifference to national defence and, by extension, of actual pacificism, is at the moment respectable. And, according to Mr. David Lawrence, even the more conservative business men are now arrayed behind their Government's naval disarmament policy as being conducive to peace and so helpful to commerce. The President's statement in a speech on the 23rd October that he wished to use the money saved on naval armament for the development of inland waterways should appeal to these business interests, and more still to the farming industry, besides showing once more how strong is Mr. Hoover's wish for the opportunity and means, which the peaceable conditions hoped for from disarmament would give him, to develop the resources and prosperity of his country. Among specific benefits which have already resulted are a growing public realisation that strength of the navies of other Powers is and must be a serious preoccupation for Great Britain, and that it would be unreasonable to expect her to reduce her own fleet much below what is now proposed, an increasing understanding even of her point of view on belligerent rights, and an admission in widening circles that the British West Indian naval stations constitute no threat to the United States. On this point the " Baltimore Sun's " usually well-informed Washington correspondent writes, with what truth I do not know, that the Navy Department for their part are not over-anxious to press for the " demilitarisation " of these stations, fearing the creation of an awkward precedent.

I have, &c.

RONALD CAMPBELL.

P.S.—A copy of this despatch has been sent to the High Commissioner for the United Kingdom at Ottawa.

R. C.

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[A 7210/3895/45]

No. 1.

Mr. Campbell to Mr. A. Henderson.—(Received October 30.)

(No. 1922.)

Washington, October 17, 1929.

Sir,

YOU have already been furnished by telegraph with a chronicle of the visit of the Prime Minister and his party to the United States from the time of their arrival in New York on the 4th October until their entry into Canada at Niagara Falls on the 15th October. Before proceeding on leave after Mr. MacDonald had left Washington, His Majesty's Ambassador expressed a desire that you should be supplied with a more detailed account of the visit by despatch, and this I now have the honour to transmit to you in accordance with Sir Esme Howard's wish.

2. The Prime Minister was accompanied on his visit by Miss Ishbel MacDonald, Lord Arnold, Sir Robert Vansittart, Mr. R. L. Craigie, Mr. Thomas Jones and and Miss Rosenberg, his private secretary. On their arrival in New York Harbour in the steamship "Berengaria," at 8·30 A.M. on Friday, the 4th October, they were met at quarantine by the municipal tug "Macom," which carried the Honourable Grover Whalen, chairman of the Mayor's Reception Committee of New York, accompanied by members of the committee, His Majesty's consul-general in New York, and Mr. James Dunn, Chief of the Division of Protocol of the Department of State. As the "Macom" passed Governor's Island a salute was fired. On her arrival at Battery Point at 9·30 A.M., the Prime Minister and his party were received by the Secretary of State and the Ambassador. Major-General Hanson E. Ely, Commanding Officer of the Second United States Corps Area, and Rear-Admiral Louis R. De Stieger, Commandant of the New York Navy Yard, were in attendance. Military and naval guards of honour were mounted on the pier, and the whole party, preceded by a mounted police escort of 200 horse, drove by automobile to the City Hall. On arrival there the Prime Minister was received by the Honourable James J. Walker, Mayor of New York, and was presented with the freedom of the city. Mr. Walker made a singularly happy speech of greeting, in which, pointing to the skyscrapers which towered outside, he smilingly remarked: "We may safely say, Mr. MacDonald, that in our welcome to you to-day, the sky is the limit." I transmit herewith copy of the speech made by Mr. MacDonald in reply, which was broadcasted throughout the country.*

3. At the conclusion of these ceremonies the party proceeded from the City Hall to the Pennsylvania Station, where they boarded a special train for Washington. The morning was bright and sunny; the streets, with storey above storey of crowded windows, were lined throughout the entire route with cheering crowds. The warmth of Mr. MacDonald's reception was most impressive, and it has been said that New York City has never before accorded such a welcome to a distinguished visitor.

4. At 4 P.M. the special train arrived in Washington, and the party were greeted at Union Station by Mr. Joseph P. Cotton, the Under-Secretary of State, Mr. George Akerson, Secretary to the President, and other representatives of the State Department and the White House, Lady Isabella Howard and the staff of the Embassy, and the Canadian and Irish Free State Ministers and the staffs of their Legations. The customary military honours were accorded, and the party were escorted by cavalry past the Capitol and the White House to the Embassy.

5. At 6 P.M. Mr. MacDonald and Miss MacDonald, accompanied by Sir Esme and Lady Isabella Howard, were received by the President and Mrs. Hoover at the White House. Immediately afterwards the cards of the President and Mrs. Hoover were carried to the Embassy by one of the President's aides.

6. At 7 P.M. Mr. MacDonald received representatives of the press at the Embassy. I transmit herewith copy of his remarks on this occasion.* At 8 P.M. Mr. MacDonald and his party dined quietly at the Embassy with members of the Embassy staff.

7. On the morning of Saturday, the 5th October, Mr. MacDonald, accompanied by Sir Esme Howard, called upon the Canadian and Irish Free State Ministers, the

* Not printed.

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Vice-President, the Chief Justice, and the Speaker of the House of Representatives at the Capitol. He was subsequently introduced at the Capitol by Mr. Stephen Porter, chairman of the Republican Floor Committee, to members of the Senate and the House of Representatives. At noon Mr. MacDonald, accompanied by Sir Esme Howard, called upon the Secretary of State. At 12·45 P.M. Mr. MacDonald and the men of his party lunched at the British Embassy, and I annex a list of the guests.*

8. During the morning Miss MacDonald, accompanied by Lady Isabella Howard, called upon Mrs. Taft, Mrs. Stimson and Mrs. Gann, and afterwards attended a small luncheon given by Mr. McCormick Goodhart, commercial secretary to the Embassy, and Mrs. Goodhart.

9. At 2·15 P.M. Miss MacDonald proceeded to the White House, where Mrs. Hoover introduced to her representatives of the Girl Guides of America.

10. At 2·30 P.M. Mr. MacDonald drove to the White House, and with the President and Mrs. Hoover, Miss MacDonald, Sir Robert Vansittart and Mr. Craigie, set out to spend the week-end at the President's Camp at Rapidan, in the Blue Ridge Mountains of Virginia. On the following day they were joined by the Under-Secretary of State, Mr. Cotton.

11. On Monday, the 7th October, Mr. MacDonald and the others of the party returned to Washington. At noon he visited Congress, accompanied by Sir Esme Howard, and was received on the floor of the House of Representatives. Only a few members of the House were in Washington, and the ceremony was confined to brief words of greeting and of thanks. Mr. MacDonald thereupon proceeded to the Senate, where he and his party were received on the floor. In reply to a few sentences of welcome and introduction from the Vice-President, Mr. MacDonald spoke for some fifteen minutes. The address was received with rapt attention and much applause, and their is no doubt that it created a profound and very happy impression. Other foreign visitors to Washington in the past have not always paid any marked attention to the Senate, and the public courtesy of Mr. MacDonald's visit, and the personal impression which he made, combined to make this an occasion which is likely to be, in the fullest sense of the word, historic, and which, it may be expected, will not soon be forgotten on Capitol Hill. I attach a cutting from the "Washington Post" of the following day, containing comments of leading Senators.*

12. At 1 P.M. Mr. MacDonald and Miss MacDonald lunched at the White House, and at 8 P.M. they were guests of honour at a dinner given by the President and Mrs. Hoover. I annex a list of the guests.* While at the White House Mr. MacDonald occupied the Lincoln bedroom.

13. At 10 A.M. on Tuesday, the 8th October, Mr. MacDonald and Miss MacDonald returned to the Embassy, where they stayed during the remainder of their visit to Washington. During the morning Mr. MacDonald drove out to see the new Embassy building and on to the Washington Cathedral, where he visited the tomb of President Wilson. At 1 P.M. Mr. MacDonald and his party were guests at a luncheon given by the Canadian Minister and Mrs. Massey. At 5 P.M. Mr. MacDonald, accompanied by Lord Arnold, called upon Mr. Mellon, who entertained them to tea and showed them his collection of pictures. Mr. MacDonald had intended to call afterwards upon Mr. Justice Holmes of the Supreme Court. He was unfortunately prevented from doing so, but the call was made by Sir Esme Howard and Lord Arnold.

14. At 8 P.M. Mr. MacDonald and Miss MacDonald, together with their party, attended a dinner in their honour at the Embassy. I attach a list of the guests,* which included the Secretary of State and Mrs. Stimson. At 10 P.M. a reception was held at the Embassy, which was attended by over 600 people, including prominent officials, Congressmen, representatives of the press and others, and their wives.

15. At 8 A.M. on Wednesday, the 9th October, Mr. MacDonald took breakfast with Mr. James J. Davis, the Secretary of Labour. The guests included Senator Reed of Pennsylvania and various Labour leaders.

16. At 11 A.M. Mr. MacDonald received a degree, *honoris causa*, from George Washington University. This was the only degree from an American University which the limited time available for his visit made it possible for him to accept, although Princeton University and New York University had offered him a similar honour. At 12·45 P.M. Mr. MacDonald and the men of the party were guests at

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a luncheon given by the Overseas Writers, an association of press representatives in Washington, who have all served abroad during their career. The visiting British journalists were present, and Mr. MacDonald made a speech of some twenty minutes, expressing his gratitude for the warm welcome he had received and for the universally friendly and sympathetic treatment which his mission had met with from the press. He proceeded to give a brief outline of the developments and hopes of the Labour party in Great Britain. The speech was very well received. It is one of the customs of the association that such addresses should not, directly or indirectly, be divulged in any way by those present. In the afternoon the Prime Minister and Miss MacDonald, accompanied by Sir Esme and Lady Isabella Howard, visited Mount Vernon and placed a wreath on the tomb of George Washington. He returned through Alexandria to Arlington Cemetery, where he also placed a wreath on the tomb of the unknown soldier. At 5·30 P.M. Senator Borah, Senator and Mrs. Swanson, and Mr. Justice and Mrs. Brandeis and others attended a tea at the Embassy, at which there was, of course, merely general conversation. At 6·30 P.M. the Prime Minister and Miss MacDonald, accompanied by Sir Robert Vansittart and Mr. Craigie, proceeded to the White House to pay an official farewell to the President and Mrs. Hoover. At 8 P.M. the Prime Minister and the men of his party, together with Sir Esme Howard, attended a dinner given by the Secretary of State, at which the President and Vice-President were present, together with Senators Borah, Robinson, Reed, Moses and Watson, Representatives Porter and Tilson, Mr. Cotton, Under-Secretary of State, Mr. Castle, and others.

17. During the day the President and the Prime Minister issued a joint statement as a result of their conversations, and in the evening Mr. MacDonald issued a further personal statement, copies of which are annexed.*

18. Miss MacDonald was the guest at lunch of Miss Mary Anderson, chief of the Women's Bureau, Department of Labour, and Miss Grace Abbott, chief of the Children's Bureau. At 5·30 P.M. a reception was given in her honour by the Women's National Press Club.

19. On Thursday, the 10th October, Mr. MacDonald and his party left Washington at 9 A.M., viâ the Baltimore and Ohio Railroad, for Philadelphia. The train stopped for five minutes at the Mount Royal Station in Baltimore for the Prime Minister to shake hands with dignitaries of the city, and Mr. Buchan, His Majesty's consul. At 12·30 P.M. Mr. MacDonald was host at a luncheon at the Bellevue Stratford Hotel in Philadelphia for the physicians who attended him during his illness in the city in 1927. The luncheon was followed by a small reception. The visit to Philadelphia was entirely informal, but Mr. MacDonald was met at the station by Mr. Kemball, the acting British consul-general, and his wife. At 3 P.M. the train left for New York, where it arrived at 4·45 P.M. Mr. MacDonald and the party, during their visit to New York, stayed at the Hotel Weylin. At 8 P.M. the Prime Minister, Lord Arnold and Mr. Jones were guests at a dinner given by Mr. Lamont, and attended by Mr. John D. Rockefeller, Jnr., Mr. John W. Davis, and others.

20. On Friday, the 11th October, Mr. MacDonald received a delegation of Zionist leaders, headed by Mr. Felix Warburg, which included Rabbi Wise. At 1 P.M. Mr. MacDonald was the guest of honour at a luncheon given under the auspices of the English Speaking Union, the St. Andrew's Society, the St. George's Society, and the St. David's Society in the Hotel Astor. At 4 P.M. he attended a reception by the Foreign Policy Association at the Hotel Commodore, and at 7·30 P.M. a dinner of the Council on Foreign Relations at the Ritz-Carlton Hotel. At 9 P.M. he made an address which was broadcasted to over seventy stations throughout the United States, and was also heard in Canada. The speech was relayed to the United Kingdom on a short wave and was rebroadcast by the British Broadcasting Company (2 A.M. Greenwich time). Copies of Mr. MacDonald's remarks at these three functions are attached.*

21. On Saturday, the 12th October, was Mr. MacDonald's birthday, and this and the following day were reserved for private engagements. During her stay in New York, Miss MacDonald visited various institutions for social work and other purposes under the auspices of Miss Lillian Wald, a leader of Social Welfare Work and an old friend of Mr. MacDonald and Miss MacDonald.

22. At 8·30 A.M. on Monday, the 14th October, Mr. MacDonald and his party left New York for Niagara Falls. A special car had been placed at their disposal by the New York Central Railroad, but it had been arranged that each member of

* Not printed.

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the party should pay the usual fare. It may be added that, on the journeys between Washington and New York, the party were the guests of the United States Government. In the evening they attended a dinner given by the New York State Reservation Commissioners, and spent the night at Niagara Hotel, Niagara Falls, New York State.

23. On Tuesday, the 15th October, Mr. MacDonald and his party visited the Falls, and shortly after noon crossed the boundary into Canada. The Canadian National Railways had provided a special train which carried the party to Toronto.

24. During the visit to the United States every possible arrangement was made for the convenience of press correspondents, who wished to accompany the Prime Minister on his journeys, and ample accommodation was arranged upon all trains for American journalists as well as for those who came with the party from England.

25. Both before and during Mr. MacDonald's visit, scores of telegrams and letters were received from all parts of the country containing invitations for Mr. MacDonald and conveying cordial good wishes and messages of welcome. Many similar messages were addressed to Miss MacDonald, whose unassuming charm made friends for her everywhere. Upon leaving Washington Mr. MacDonald and Miss MacDonald presented a magnificent bouquet of flowers to Mr. and Mrs. Hoover, who had shown them so much hospitality.

26. In his despatch No. 1863 of the 10th instant, Sir Esme Howard gave his first impressions of the effect of the Prime Minister's visit on public opinion in the United States, and résumés of press comment have been forwarded by the British Library of Information. I think it would still be somewhat premature to attempt to analyse in further detail the various trends of opinion reflected in the press, and I propose to defer doing so until these views appear to have crystallised, and until their relative importance can be gauged with greater accuracy. At the same time I transmit copy of a most appreciative statement by Senator Borah,* which is particularly striking. The Prime Minister's success is still a topic of general discussion. It will be of the utmost value for the coming negotiations and for the future relations of the two countries if the feelings of respect and admiration which he has inspired in the United States are not allowed to fall away from their present high level and so bring about a relapse into the old misunderstandings and suspicions of British policy.

27. I am forwarding a copy of this despatch to the High Commissioner for the United Kingdom in Ottawa.

I have, &c.
(For Chargé d'Affaires),
T. A. SHONE.

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1929

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COMMONWEALTH OF AUSTRALIA.

Dominions No: 533

Downing Street,

21 November, 1929.

Sir,

With reference to my despatch Dominions No.474 of the 14th October, I have the honour to transmit, for the information of His Majesty's Government in the Commonwealth of Australia, the accompanying copies of the House of Commons Official Report No. 28 of the 5th November conatining a statement made by the Prime Minister regarding his visit to the United States and Canada (Columns 885-894).

H. of C. Report Vol.231:No.28.

I have the honour to be,

Sir,

Your most obedient,

humble servant,

Passfield

Copy Sent to. His Excellency The Governor-General

THE PRIME MINISTER

OF THE COMMONWEALTH OF AUSTRALIA.

Vol I. 50

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PRIME MINISTER'S VISIT TO UNITED STATES AND CANADA.

The PRIME MINISTER (Mr. Ramsay MacDonald): I beg to move, "That this House doth now adjourn."

I do this in order that I may have an opportunity of reporting to the House upon the visit I recently made to the United States and Canada. Any statement that can be made regarding that visit can add but little to what has already appeared in the Press, but by reporting to this House and thanking my hosts from this place I perform an official duty which is required at the close of my journey. What success the visit had was largely owing to the hearty support given to it by all parties and sections in this country, and by all the great organs of public opinion. I went out not as a Party leader but as a national representative. I take this opportunity of thanking President Hoover and his Cabinet, and both the Senate and the House of Representatives, for the welcome they gave me, and the honours they paid to me as the representative of this country. They showed the best kind of friendship by the candour with which they exchanged views and the straightforwardness with which they raised and discussed questions of delicacy. Though some of the matters I had to deal with might easily have been presented to the public so as to rouse old prejudices, from beginning to end I found nothing but thoughtful fairness and a desire to co-operate in placing facts and issues justly before the country.

No Ambassador could have received a warmer welcome, no Government or people could open their doors, their lives and their hearts wider to a guest. I did my best as I crossed their boundary to express my thanks to them, but I feel that it is here in the House of Commons, in your presence and with you joining in, that my final grateful adieu should be waved to them. I took with me a staff limited with great severity on the soundest Treasury principles. Frequently I had to regret this regard for public economy, for at times my colleagues were grossly overworked. By their devotion to the work in hand they contributed much to its success, and it is due to them that I should from this place acknowledge the debt which the nation owes to them.

I went with no draft agreements either in my mind or in my pocket. I went to try by personal contact and by direct address to establish a new relationship between the two peoples, a relationship based upon mutual understanding not only of common objects to be pursued but of natural differences to be respected. I must leave the result to fructify in policy and action as time goes on. The breeze which blew me across the Atlantic was created by the conversations I had had during the summer with the American Ambassador, who personifies in such a delightful way the downright desire of his Government for peace and goodwill. These conversations had already removed every fear that at an international conference the unbridged differences between the United States and ourselves would doom such a conference to failure. I reviewed those conversations with the President, and studied with him ways and means of filling in the narrow gaps still remaining in a programme of building which should at the same time recognise both parity and strength and variety in the use of tonnage. Both of us recognise, however, that the agreement we were seeking was not merely one between ourselves but one which would have to be set into a wider co-operation, and that a final settlement would have to depend upon the Five Powers' Conference, invitations to which, we learned during our deliberations, had been accepted by all the Powers concerned.

These Powers will very probably have a good deal to say from their own point of view upon the naval problems we were discussing. We desided to urge that preliminary or more or less informal conversations between and with these Powers should be entered upon, so that when the Conference meets the difficulties which lie at any rate on the fringe of our task may have been overcome. The success of that Conference, which will meet here in January, is our next objective, and meanwhile I can say nothing which will put difficulties in its way. Above and beyond the definite subject of a naval agreement was a desire to make it clear to everybody that in our mutual relations the Paris Pact of Peace was a reality, and so in the joint statement issued by us a declaration is made for the first time officially by the representa-

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[Mr. R. MacDonald.]

tives of the two nations speaking together. Both of us put our signatures to this, and I quote:

"Both our governments resolve to accept the Peace Pact not only as a declaration of good intentions but as a positive obligation to direct national policy in accordance with its pledge."

Further, and I quote again—

"Therefore, in a new and reinforced sense, the two governments not only declare that war between them is unthinkable, but that distrust and suspicions arising from doubts and fears which may have been justified before the Peace Pact must now cease to influence national policy."

We approach old historical problems from a new angle, and in a new atmosphere on the assumption that war between us is banished, and that conflicts between our military and naval forces cannot take place. These problems have changed their meaning and character, and their solution in ways satisfactory to both countries has become possible. The United States pursues with vigilant jealousy its historic policy of keeping free from old world entanglements, and is therefore not in the League of Nations. We are in the League of Nations. We have contracted obligations to the League, and we shall remain loyal to these obligations. On neither side was any attempt made to change these facts. They were recognised as axioms in all our discussions. They were stated in the Memorandum which we jointly gave to the Press. In the course of our conversations the President raised some of the major historical causes of difference between us, like belligerent rights, so-called fortified bases, and so on, which are still active in forming public opinion, and we agreed mutually to examine them in the hope that we might arrive at understandings upon them. Even should one hold the opinion, as I do, that the only satisfactory way to settle legal and other disputes which arise from war conditions is success in the establishment of peace, I believe that nothing but good could come from a frank exchange of views between the Government of the United States and ourselves on this question.

4.0 p.m. The visit to Canada was marked by the same unstinted demonstrations of welcome and by a hospitality which struck the note of pride and happiness in our family unity. As the representative of the Mother Country and the bearer of a message of God-speed from His Majesty, I was accorded greetings, not only by Canadian lips, but by Canadian hearts. My memory of Canada is heavily laden with appreciation of the welcome by the Prime Ministers and Governments of the Dominion and of the two Provinces I was able to visit. The visit gave me an opportunity of discussing with the Prime Minister, Mr. Mackenzie King, those matters of special interest for Canada which had arisen at Washington, and to exchange with him views on political and economic subjects of mutual concern. The conversation could only be provisional.

The change of Government in Australia made a final agreement as to the Assembly of the Economic Conference impossible, and until the Committee of Experts now sitting upon the legal relationship of the Empire as affected by the Resolution passed by the last Imperial Conference has reported, we could only agree that the results may be of the most vital interest not only to the Empire but to the whole world, and that whatever is done a unity of allegiance and spirit must be preserved with a development of nationality. The meetings with the Premiers of both Ontario and Quebec were most profitable. I am convinced, as the result of the cordial welcome I received in Canada, that if only time can be found, amidst the labours of the office of the Prime Minister, no greater service could be done to our unity and co-operation with the Dominions than similar visits to and personal contact with people of the other parts of the Commonwealth and their Governments.

Commander BELLAIRS: While congratulating warmly the Prime Minister, may I ask him whether the Conference to which he referred is to be held here in London?

The PRIME MINISTER: Yes, in London.

Mr. STANLEY BALDWIN: It is my most agreeable task, on behalf of those who sit behind me, to offer our warm and cordial felicitations to the Prime Minister on the statement which he has just read. We followed his course with the keenest interest, and I, not following my usual custom, did read everything that he said in the United States

of America. I wish to record my view that throughout the Prime Minister acted as the Prime Minister of the United Kingdom and not as a Party leader. We all owe him a great debt of gratitude for maintaining that attitude in that country. I might be excused if I offer one or two observations. I have—it is no secret to the right hon. Gentleman—for a long time felt that our relations with America have suffered in comparison with our relations on the Continent of Europe, from the fact that since the inauguration of the League of Nations statesmen of different countries have been able to meet and discuss matters personally, whereas there has been an almost complete ignorance of the personalities of the statesmen involved on the two sides of the Atlantic. Worse than that, there has always been, and I regret to say it, even amongst some of our public men a profound ignorance of the nature of the constitution, the executive and the administration of the United States of America, which at any time might lead this country, as at times it has led Europe, into difficulties in dealings with America.

So strongly impressed was I with this, that it is now nearly three years ago that I opened the subject very privately with Mr. Houghton, the then Ambassador of the United States, on the subject of the Prime Minister going from this country to America. We both felt that it would be an admirable thing, but we both felt that it would be some time before the time would be ripe and opportune. I say with full conviction of knowledge—I am sure the Prime Minister and the American Government will agree—that the right hon. Gentleman has taken the first moment that has been possible in recent years to make his visit. It could not have been done by any Government until the actual time that he went. I shall not disguise from the House, and the House perhaps will feel that it is not wrong for me to say so, that though I am not greedy of power, there was one thing I always hoped to do, and that was to go to America as Prime Minister to try personally to improve the relationship between that country and this. It looked at one time as though it might be my fate; but it was ordered otherwise. I want to tell the right hon. Gentleman and the whole House that there
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Mr. LLOYD GEORGE: I should like to join with the Leader of the Opposition in extending my felicitations and congratulations to the Prime Minister upon his very triumphant tour in America. It was an unquestionable success from every point of view. When the American public are in a welcoming mood there is no public in the world who can do it with greater sincerity, warmth and spontaneity, and there is no doubt that the Prime Minister found them in that mood, and that he justified the mood in which he originally found them by his experience there. It is very gratifying to us that such a welcome should have been given to the Prime Minister of this country by the greatest English-speaking community in the world except our own. One is glad to acknowledge that it was not merely to the Prime Minister of Great Britain that this enthusiastic reception was accorded, but that it was also the appeal that the personality of the Prime Minister himself made to that great democratic people. There was, as the Leader of the Opposition has said, an unmistakable coolness, to use no stronger phrase, which had crept into the attitude of these two great peoples towards each other. This is not the time to examine the causes; one is anxious to avoid anything which could suggest controversial matters. But undoubtedly there it was, and that was a very serious impediment in the cause of understanding, because pacts and covenants depend not upon paper, but upon the spirit in which they are operating, and unless there is real good will between nations and amongst nations, then all the pacts for the abolition of war will be mere scraps of paper.

From that point of view I think the Prime Minister has rendered a real service to the cause of world peace by clearing the atmosphere and by introducing a more genial element into the relations of the two countries. I say that all the more gladly, and I feel I ought to say it,

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[Mr. Lloyd George.]

because I have had very grave doubts, which I expressed in this House, as to the wisdom of a visit to America before the Five Power Conference. Therefore, having made that statement, I am all the more glad to congratulate the Prime Minister upon the real triumph of his visit. I would wish—and I am sure the Prime Minister will not think it a criticism—that he could have given us some account, that he could have told us more of the concrete results of his visit, and of the commitments, if there are any, which he made when he was there. For instance, was any understanding arrived at between this country and America with a view to the Five Power Conference—I do not see why that should interfere with the Five Power Conference—any understanding, so far as the two countries are concerned, with regard to the number of cruisers, with regard to the size of guns, with regard to submarines, and more particularly with regard to what is very vital to this country—a matter that I will not discuss but a matter to which I attach very considerable importance, and that is what is known as the question of the freedom of the seas?

Until we are in a better position in reference to world armaments I think we ought to proceed very cautiously with regard to abandoning any of our rights there. I should like to know from the right hon. Gentleman. It is a very vital matter. [*Interruption.*] I do not think I have said anything which ought to provoke hon. Gentlemen opposite. I have been studiedly conciliatory throughout my observations, and I am entitled to ask these questions; what is more I mean to do it. It is a very vital matter and I should like to ask the right hon. Gentleman. I understand from him that up to the present nothing has been done, except to enter into conversations with the President of the United States which have not committed us to any particular position. The matter is to be further examined?

The PRIME MINISTER *indicated assent.*

Mr. LLOYD GEORGE: Then there is nothing more that the Prime Minister can say on that subject, and I do not press it. I am very glad to hear that there is no commitment at the present moment. It is very important. I would also ask whether the right hon. Gentleman has had any discussions with regard to co-operation between the United States and ourselves on the subject of general disarmament. For instance with regard to Lord Robert Cecil's Motion at Geneva. Lastly, I should also like to ask whether there was any examination of the question of debts, a very important matter for this country—whether there was any attempt to give us what I would call more-favoured-nation treatment in respect of debts, or whether that was left outside the ambit altogether of the conversations between the Prime Minister and the United States. I am pressing him only upon these two or three questions before I sit down.

Colonel GRETTON: I hope the House will allow me to express my congratulations to the Prime Minister upon the statement which he has made regarding his visit to America. I am aware that this is not the occasion to discuss matters of policy, but may I ask if it is the intention of the Prime Minister and the Government to make any further statement before the calling of the five-Power Conference. The country is deeply interested in the peace problem, and I have always understood that it is an axiom of the present Government that they would not enter into secret diplomacy. I would also like to ask if it is intended that the report of the Committee referred to by the Prime Minister to inquire into the naval position of the British Empire will be published, because that is a matter of vital interest to all of us.

Lieut.-Commander KENWORTHY: I would like to make one observation in regard to the questions which have been put to the Prime Minister by the right hon. Gentleman the Member for Carnarvon Boroughs (Mr. Lloyd George). Having regard to the part which the right hon. Gentleman has played in international affairs, I think the speech which he has made and the questions he has asked are, in the circumstances, only mischievous. It is well known that the five-Power Conference has been called, and it is obvious that the whole success of that Conference will be jeopardised if the Prime Minister goes into any details.

Mr. J. JONES: Now that a well-known authority on this subject has spoken we

know all about it. There is one thing which hon. Members opposite ought to know, and it is that you cannot make satisfactory international relationships possible until you have entered into negotiations with the people with whom you have had differences. The right hon. Gentleman the Member for Bass——

Mr. WOMERSLEY: On a point of Order. I would like to ask whether it is in order for an hon. Member of this House to refer to another hon. Member other than by his constituency?

Mr. JONES: Mr. Speaker, I apologise.

Mr. SPEAKER: It is certainly not in order.

HON. MEMBERS: Withdraw!

Mr. JONES: I have already withdrawn, but you cannot separate Bass from Burton. Hon. Members have been speaking of what is going to happen as if it had actually happened. I understand from what I have read on this question that before any agreements are come to by the five-Power Conference the whole question will be referred to this House for ratification. So far as hon. Members who sit on the Labour Benches are concerned, we want the Prime Minister to understand that we are all behind him in the efforts which he is making to secure international peace. We know the Prime Minister by his past, and he can live upon his past and look forward to the future. There are others in this House who cannot do that.

Mr. WOMERSLEY: Speak for yourself.

Mr. JONES: I can speak of my past, and it is well behind me. We stand behind the Prime Minister in the efforts he is making to secure European and international peace.

Viscountess ASTOR: May I congratulate the Prime Minister upon the great success of his visit to America, and I can assure him that all the sober elements of the country are behind him.

Mr. SCRYMGEOUR: I only desire to express my satisfaction in regard to the most important deliverances which have just been signed by the Prime Minister of our own country as well as by the President of the United States of America. I think it will be our earnest prayer, individually and collectively, that those words will not only have their meaning in a verbal sense, but that they

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know all about it. There is one thing which hon. Members opposite ought to know, and it is that you cannot make satisfactory international relationships possible until you have entered into negotiations with the people with whom you have had differences. The right hon. Gentleman the Member for Bass——

Mr. WOMERSLEY: On a point of Order. I would like to ask whether it is in order for an hon. Member of this House to refer to another hon. Member other than by his constituency?

Mr. JONES: Mr. Speaker, I apologise.

Mr. SPEAKER: It is certainly not in order.

HON. MEMBERS: Withdraw!

Mr. JONES: I have already withdrawn, but you cannot separate Bass from Burton. Hon. Members have been speaking of what is going to happen as if it had actually happened. I understand from what I have read on this question that before any agreements are come to by the five-Power Conference the whole question will be referred to this House for ratification. So far as hon. Members who sit on the Labour Benches are concerned, we want the Prime Minister to understand that we are all behind him in the efforts which he is making to secure international peace. We know the Prime Minister by his past, and he can live upon his past and look forward to the future. There are others in this House who cannot do that.

Mr. WOMERSLEY: Speak for yourself.

Mr. JONES: I can speak of my past, and it is well behind me. We stand behind the Prime Minister in the efforts he is making to secure European and international peace.

Viscountess ASTOR: May I congratulate the Prime Minister upon the great success of his visit to America, and I can assure him that all the sober elements of the country are behind him.

Mr. SCRYMGEOUR: I only desire to express my satisfaction in regard to the most important deliverances which have just been signed by the Prime Minister of our own country as well as by the President of the United States of America. I think it will be our earnest prayer, individually and collectively, that those words will not only have their meaning in a verbal sense, but that they will be taken as evidence of a determination on the part of the political parties of this country to see that nothing shall be done to endanger in any way in the future the lives of our fellow countrymen and the sisterhood and childhood of the nation. This is a great day, and we certainly say "God speed" to all who are supporting such a magnificent Christian enterprise.

The PRIME MINISTER: I hope the House will grant me indulgence for a moment so that the questions which have been put to me may not remain unanswered. First of all, I would like to thank hon. Members for the reception which they have given to my statement. The thing in my mind most of all is how deeply gratified my late host will be when he reads the proceedings in this House to-day. The statement about cruisers was made before we left and I did not think that I needed to repeat it. As regards the question of belligerent rights, no commitments whatever were made beyond a promise that the matter would be considered. I knew that it had been considered already, because I had seen the papers on the subject, and I was fortified in the knowledge that I was pursuing a continuous policy.

As to general disarmament, I certainly did not raise the question as to what support America might give us at the general Disarmament Conference. We are preparing for the five-Power Conference which is naval pure and simple, and, when we have got the five-Power Conference out of the way, then will be the time for the consideration of the question of general disarmament. I believe that the five-Power Conference which is being called for a specific purpose will get this matter successfully concluded. We did not discuss debts. As to the five-Power Conference and the attitude of the Government, all I can say is that everything that is done by way of preparation for that Conference will be done after full consultation with our proper experts, and it would be very improper for me at this moment to say anything further than that. Everything that is being done by way of preparation for that Conference is being done in the usual way, and all the interests concerned are being consulted. I beg to ask leave to withdrawn the Motion.

Motion, by leave, withdrawn.

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NORTH AMERICA. October 22, 1929.

CONFIDENTIAL. SECTION 3.

[A 7032/3895/45] No. 1.

Sir E. Howard to Mr. A. Henderson.—(Received October 22.)

(No. 1863.)

Sir, *Washington, October* 10, 1929.

ON the point of leaving for New York and the West Indies it may not be amiss if, without reporting the events of the last few days in their order, which will be done in a separate despatch, I record my first impressions of the results achieved by the visit of the Prime Minister, who left Washington this morning for New York. It is naturally too early to attempt to record more than first impressions, and even these must be somewhat superficial, as I have hardly had time during this week to glance at a newspaper.

2. In the first place there can be no doubt of the warmth or sincerity of the welcome accorded to the Prime Minister since he first set foot on United States soil at Battery Point, which was extraordinary. The universal interest his visit has aroused all over the country has, I think, surprised everyone. No visitor to this country has ever had a better press; hardly any, I should think, has been taken so completely to the heart of the people with whom he has come in contact.

3. After his address to the Senate I enquired of various Senators what they felt about it. Perhaps the best reply was given by Vice-President Curtis, who has been in Congress, I believe, for thirty-five years. He told me he had never known any address given in the Senate meet with such complete and universal approbation from all parties. The same may be said of the Prime Minister's address to the "Club of Overseas Writers," perhaps the most important association of pressmen in Washington, who had invited, besides their own members, a number of influential pressmen from all over the country. The verdict of unstinted eulogy was unanimous. If nothing else had happened but these two events, I feel that the visit has been worth while, but the personal contacts which the Prime Minister has made here, first and foremost with the President, who is not easy to become acquainted with in ordinary circumstances, then afterwards with the Secretary of State and a number of influential Senators, Congressmen, journalists and others, are sure, I feel convinced, to bear fruit in smoothing away difficulties and removing misunderstandings that are certain to arise.

4. The French Ambassador called on me this morning to say that his Government had telegraphed to him to inform the Secretary of State that, despite what some French papers may say, the Government can only regard with the greatest satisfaction the establishment of a cordial understanding between Great Britain and the United States which could, in their opinion, contribute enormously to the promotion and maintenance of peace. He had so informed the Secretary of State.

5. I thanked him and said I would not fail to inform the Prime Minister when I see him in New York to-morrow, and also report to you, Sir, what he had said.

I have, &c.
(For the Ambassador),
T. A. SHONE.

P.S.—I am forwarding a copy of this despatch to the High Commissioner for the United Kingdom in Canada.

T. A. S.

[933 y—3]

KO 10-XII-29

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COMMONWEALTH OF AUSTRALIA

Dominions No. 503

Downing Street,

4 November, 1929.

Sir,

With reference to my despatch Dominions No.499 of the 28th October, I have the honour to transmit, for the information of His Majesty's Government in the Commonwealth of Australia the accompanying copy of a despatch from His Majesty's Ambassador at Washington forwarding a copy of the joint statement by the President of the United States of America and the Prime Minister, which was published in the Press of the United States on the 10th October, regarding the visit of Mr.MacDonald to Washington.

10th Oct.

I have the honour to be,

Sir,

Your most obedient,

humble servant,

Passfield

Copy Sent to.
His Excellency The Governor-General.

THE PRIME MINISTER

OF THE COMMONWEALTH OF AUSTRALIA.

Ko
9.XII.29

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NORTH AMERICA. October 22, 1929.

CONFIDENTIAL. SECTION 2.

[A 7034/3895/45] No. 1.

Sir E. Howard to Mr. A. Henderson.—(Received October 22.)

(No. 1865.)

Sir, *Washington, October 10, 1929.*

I HAVE the honour to transmit to you herewith copy of the joint statement by President Hoover and the Prime Minister on the latter's visit to Washington.

I have, &c.
(For the Ambassador),
T. A. SHONE.

Enclosure in No. 1.

Joint Statement by President Hoover and Mr. Ramsay MacDonald.

(Published in the morning Papers of October 10, 1929.)

THE visit of the British Prime Minister to President Hoover, which is now terminated, had as its chief purpose the making of personal contacts which will be fruitful in promoting friendly and frank relations between the two countries. Both the President and the Prime Minister are highly gratified by the keen interest which the people of both countries have taken in the meeting, and regard it as proof of the strong desire of both nations to come to closer understanding. The British Prime Minister has been particularly impressed and gratified by the warmth of his welcome and the flood of expressions of goodwill which have poured upon him.

At the moment of leaving Washington the following joint statement was issued :—

"During the last few days we have had an opportunity, in the informal talks in which we have engaged, not only to review the conversations on a naval agreement which have been carried on during this summer between us, but also to discuss some of the more important means by which the moral force of our countries can be exerted for peace.

"We have been guided by the double hope of settling our own differences on naval matters and so establishing unclouded goodwill, candour and confidence between us, and also of contributing something to the solution of the problem of peace in which all other nations are interested and which calls for their co-operation.

"In signing the Paris Peace Pact, fifty-six nations have declared that war shall not be used as an instrument of national policy. We have agreed that all disputes shall be settled by pacific means. Both our Governments resolve to accept the Peace Pact not only as a declaration of good intentions but as a positive obligation to direct national policy in accordance with its pledge.

"The part of each of our Governments in the promotion of world peace will be different, as one will never consent to become entangled in European diplomacy, and the other is resolved to pursue a policy of active co-operation with its European neighbours; but each of our Governments will direct its thoughts and influence towards securing and maintaining the peace of the world.

"Our conversations have been largely confined to the mutual relations of the two countries in the light of the situation created by the signing of the Peace Pact. Therefore, in a new and reinforced sense, the two Governments not only declare that war between them is unthinkable, but that distrusts and suspicions arising from doubts and fears which may have been justified before the Peace Pact must now cease to influence national policy. We approach old historical problems from a new angle and in a new atmosphere. On the assumption that war between us is banished, and that conflicts between our military or naval forces cannot take place, these problems have changed their meaning and

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character, and their solution, in ways satisfactory to both countries, has become possible.

"We have agreed that those questions should become the subject of active consideration between us. They involve important technical matters requiring detailed study. One of the hopeful results of the visit which is now terminating officially has been that our two Governments will begin conversations upon them following the same method as that which has been pursued during the summer in London.

"The exchange of views on naval reduction has brought the two nations so close to agreement that the obstacles in previous conferences arising out of Anglo-American disagreements seem now substantially removed. We have kept the nations which took part in the Washington Naval Conference of 1922 informed of the progress of our conversations, and we have now proposed to them that we should all meet together and try to come to a common agreement which would justify each in making substantial naval reductions. An agreement on naval armaments cannot be completed without the co-operation of other naval Powers, and both of us feel sure that, by the same free and candid discussion of needs which has characterised our conversations, such mutual understandings will be reached as will make naval agreement next January possible, and thus remove this serious obstacle to the progress of world disarmament.

"Between now and the meeting of the proposed conference in January our Governments will continue conversations with the other Powers concerned, in order to remove as many difficulties as possible before the official and formal negotiations open.

"In view of the security afforded by the Peace Pact, we have been able to end, we trust for ever, all competitive building between ourselves, with the risk of war and the waste of public money involved, by agreeing to a parity of fleets, category by category.

"Success at the coming conference will result in a large decrease in the naval equipment of the world, and, what is equally important, the reduction of prospective programmes of construction which would otherwise produce competitive building to an indefinite amount.

"We hope and believe that the steps we have taken will be warmly welcomed by the people whom we represent as a substantial contribution to the efforts universally made by all nations to gain security for peace—not by military organisation, but by peaceful means rooted in public opinion and enforced by a sense of justice in the civilised world."

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[A 6883/30/45]

No. 1.

Sir R. Graham to Mr. A. Henderson.—(Received October 15.)

(No. 688.)

Sir, *Rome, October 11, 1929.*

WITH reference to my despatches No. 672 of the 4th October and No. 680 of the 10th October, I have the honour to report that the Prime Minister's visit to the United States continues to have a bad press in Italy, and that the invitation to a new naval conference is received very cautiously by practically all the newspapers.

2. Press comments so far may be divided into two classes. By far the larger is that which deals with the general fact of the Prime Minister's visit and the prospect of a comprehensive Anglo-American agreement. The other consists of those articles which reiterate that Italy must have parity with France, and cannot accept the proposal for the abolition of submarines.

3. The Italian writers are critical alike of the attempt to reach an Anglo-American agreement and of the Prime Minister's public declarations.

4. The London correspondent of the "Messaggero" (the 5th October) says: "Bringing God into a mission, as MacDonald did to-day in a speech referring to a purely political meeting, may be in bad taste, and certainly sounds strange to Latin ears; not so to the Anglo-Saxon public, which—be it said without wronging our English and American friends—has the habit of using the name of the Omnipotent in season and out of season." Later in his despatch Signor Camagna says: "It would be interesting to obtain from Mr. MacDonald, and also from Mr. Henderson, an exact definition of 'the divine work' which England and America are to gird themselves to carry out together." It was a good thing that Mr. MacDonald had not spoken of reduction of armaments, &c. It was a good thing, "for frankness and loyalty can be of enormous assistance in international relations," that Mr. MacDonald made no secret of the fact that England and America, powerful in the past, hoped to become still more powerful in the future.

5. Signor Forges Davanzati heads his article in the "Tribuna" (the 6th October) "Kaiserish Language." In the speech which had affirmed "a common Anglo-American mission in the world enjoined by God," the Labourist had definitely given place to the Prime Minister of England, "who speaks in the name of the greatest Empire to the new Transoceanic Empire." The speech was "frankly hegemonic." The "mystic hegemonic inspiration which was found in the language of Sovereigns," and was so bitterly denounced and disowned by "Social Democracy," now reappeared in the first speech of the Labourist Prime Minister. Labourism at the helm meant labourism functioning as an organ of the British power. The end was always the same, whoever was in office: the strengthening of British power. As history moved, and it was no longer possible to attain this end by the methods of the Conservatives (agreement with France, &c.), the Labourists sought to attain the end by agreement with the rising power of the United States of America.

6. There is a great deal in this vein. Signor Alfredo Signorelli, writing from Rome to the "Stampa" (the 6th October), is especially emphatic. "It required a Labourist Prime Minister to drag out from the dusty archives the phraseology that formed William the Second's refrain. The 'good old God,' who was to have led teutonic civilisation to the conquest of the world, is brought into court once more to impose on the world a new imperialism, not less tyrannical, of the Anglo-Saxon peoples." One might say that every good Englishman or American was accustomed to preface every bit of business with a verse of the Bible. "In this way his conscience is at peace, even when the business does not fit in with the more orthodox canons of morality."

7. Mr. MacDonald's attitude and language were carefully calculated to create an atmosphere favourable to his mission in America. "And what of all the other peoples, to whom the Divine Grace has not yet suggested that they should beg for the dominion and government of the Anglo-Saxons? They are ignored, at least for the moment." At the last Assembly of the League of Nations, "whenever the British delegates had to take back some insidious proposal which had found an opposition

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unanimous, or nearly, they said in an undertone: 'Let us once get an agreement with the United States and then we shall put all these troublesome continental States in their places.'" The whole Labour foreign policy was based on an understanding with the United States. This was clear at The Hague and Geneva, where opposition to one European Power did not imply drawing nearer to its rival. "For the pure-blooded Englishman [*sic*], whether he comes from Scotland or Yorkshire, even the great peoples of our continent are, after all, in the same class, though in a different degree, as the Balkan peoples."

8. It was clear now. The flags of Uncle Sam and of John Bull were to fly together whenever they listened to the divine appeal; in other words, whenever a third intruder ventured to raise his voice against the will of the two States which were the strongest in the world. There was nothing left for the other Powers but to listen to the voice of command, stay at home humbly "and implore a merciful look from the tyrants of the sterling and the dollar." "We might invoke the God of the humble, the God who does not admit unbridled arrogance, and sooner or later punishes it inexorably." But it was better not to mix up sacred and profane things.

9. Last year the Conservatives had tried to guarantee British predominance by an alliance with France [*sic*]. The attempt had failed miserably. Was there a greater community of interests between England and America? Probably not. The Americans knew that time was working for them, and the agreement was "tactical, contingent, technical."

10. "It will be better for Mr. MacDonald to intone his hosanna at the end of his work of negotiations, and meanwhile to reflect and conclude that it is not by announcing to the world the eventuality of an Anglo-Saxon *bloc* which shall divide the supervision of the destinies of peoples that he will contribute to diffuse the spirit of justice, without which there is no spirit of peace."

11. The "Tevere's" comment (the 7th October) is bitter. "We can imagine the English Premier saying: 'Help us to impose our will on France and Italy, and in return we shall help you to compel Japan to be content with the three-fifths quota, and shall not refuse to give up some tens of thousands of tons.'

"It is useless to have illusions; the conversations of the strong end in bringing into discussion the fortunes of the weaker." But what interest had America in identifying herself so barefacedly with England? Hoover, a practical man, was not likely to have been moved by MacDonald's mystical appeals. America had gained parity, and, as a consequence, the freedom of the seas. "The rest will go up in smoke. MacDonald may dream a little while longer, but the day is not far off when England will realise that the voyage of her Prime Minister has signified in any case the capitulation of the British Empire before the young American imperialism." This was to be the price paid for a joint hegemony over the rest of the world, but the plan was too diabolical. Meanwhile, it was useful to let it be known that the other Powers would firmly resist all attempts to impose such vassalage.

12. The "Secolo" (the 8th October) is no less vehement in language. In answer to the question: "Who can resist a united England and America?" the reply is as follows: "The laws of nature and economic factors, and the spiritual and patriotic forces of the peoples, even if they are less rich and powerful than England and America, of the peoples who base their claims on that principle of international justice, to which, sooner or later, must bow even those States which profit by international injustices, which have always, slowly but surely, worked from outside by a thousand infiltrations, as a fatal internal dissolvent of great Empires." The "Secolo" writer urges that there can be no peace without justice, and that there can be no justice without a solution of the problems of emigration and raw materials and the cancellation of inter-Allied debts.

13. The "Tevere" returns to the charge on the 8th October. The family council was over. The doors might be opened. The children might come in now.

14. Only yesterday people were talking of the awful perils which threatened from the East. And they did not notice "the ripening of the realest and greatest danger for this worn-out and unquiet West of ours, consisting in the proud and arrogant advance of a new imperialism, sheathed with humanitarian and progressist principles, with fierce and unreasonable puritanism, animated by the presumptuous claim to be called to the fulfilment, in a disordered and miserable world, of an almost divine mission of material and ideal redemption." This was the American civilisation, "composed of a thousand elements which undermine the very foundations of our mediterranean conception of life, which threaten our ancient civilisation, mother of all greatness, with death by drowning in an elixir of easy

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living." Europe did not see the danger; England did. So MacDonald had gone to the United States to enter into the orbit of the new meteor. It seemed that he had succeeded. The Anglo-Saxon *bloc* was made. The non-Anglo-Saxon Powers must resign themselves to be "obedient and modest satellites in this newest cosmogony."

15. "From the cottage on the Rapidan River there moves to the assault of our world the most brutal and irresistible force that history can recall. It is not a question of ships, tonnage or calibres; it is an attempt to displace the axis of the earth."

16. The "Tevere's" only consolation is that a Frenchman has written in the "Rome hebdomadaire" that America is largely composed of invalids, broken-downs and neurotics; that the nation is consumed by a hidden malady; that it is living on an artificial material force, which alone makes it continue.

17. So the "Tevere" thinks that, after all, the last word may not have been said on the banks of the Rapidan.

18. There are various other articles which express strong resentment at the Anglo-Saxon "hegemony" which they see impending. Some of them lay special emphasis on the "humiliation" suffered by England, who now, clearly, is on "the descending curve of her parabola." A more reasonable tone is taken, generally speaking, by the comments of the "Corriere della Sera," though the "Corriere," too, is ironic and suspicious. A leading article (the 8th October) says that the two Anglo-Saxon Powers are pacifist because there is a danger that if war broke out over any clash between two groups of nations, it was not certain that English and American interests would place them on the same side. Their pacifism was grounded in a fear of collision. It was certainly "an element of conservation, useful within certain limits to humanity in general; but its foundations are planted in egoism, not in justice, in fear and not in pity."

19. Signor Arnaldo Mussolini, writing in the "Popolo d'Italia" (the 8th October), says he has no intention of questioning "the noble intentions of Hoover and MacDonald, who have taken the question of armaments and world peace very seriously," but he suggests that those who agitate most for peace sometimes sow the seeds of war. The real road to peace had been shown by Fascist Italy, who had eliminated many difficult questions by discussion and treaty, and had supported all initiations in favour of peace. Italy had made many agreements, but had avoided alliances.

20. The London correspondent of the "Messaggero" (the 11th October) comments as follows on the article in the "Times" which explained the true inwardness of the Kellogg Pact:—

21. "In this century, dominated by the overpowering strength of the Anglo-Saxons, we Latins must resign ourselves to listening to a rather Messianic language, one of the numerous idiosyncrasies of our English and American friends, because, after all, they do not say anything new, but repeat old concepts with phrases and intonations different from any that could be conceived by the rectilinear Latin mentality.

"Often we accuse them of hypocrisy, and we are wrong. They are not hypocrites; they simply have a different way of thinking and expressing themselves. They do not conceive the truth as naked and crude; they prefer it with the fig leaf." The gist of the matter was that England invoked the Kellogg Pact in justification of the great renunciation she had made in the hope of parrying the threat of rivalry from the American colossus.

22. It remained to be seen whether a practical man like Hoover would view things in the same light as an "integral pacifist" like the British Prime Minister. The idea of a "bilateral hegemony" might appeal to him less than a purely American domination. If there were to be any hegemony, the United States were strong enough and rich enough to exercise it alone.

23. The "Tribuna" also (the 10th October) says that so far only Mr. MacDonald has spoken. "No one has replied from the American side. Let us wait."

24. The "Lavoro" of Genoa (the 6th October) is the only paper in the Kingdom of Italy which approves the action of the British Government in attempting a complete agreement with America. It claims, moreover, that high finance is now all in favour of world peace, and seconds the efforts of the Prime Minister. That was why the most capitalistic State in the world gave Mr. MacDonald a welcome such as no monarch has ever received.

25. Unlike various critics quoted above, the "Osservatore Romano" (the

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8th October) whole-heartedly approves the tone of Mr. MacDonald's speech on his arrival in New York, and says that his proposals, backed by his references to the Almighty, announced a new diplomacy. Hard experience might, perhaps, justify the appellation of "lyrical optimism," but the fact remained that "in the name of God vivifying words have been said and are said. . . . ." "God at a political meeting!" people exclaimed. But what could politics give to the world without God?

26. In a further comment (the 11th October) the Vatican organ says that, although the press generally seems sceptical, yet the world saw things as they were. "The representatives of the two most positive and practical peoples have reached the dream which seemed to be floating on high in the firmament of illusions; the representatives of the two States capable of pushing the competition in armaments to impossible extremes have decided on a concrete programme of disarmament; the representatives of the two nations who compete in every sphere of activity have declared that war between them is inconceivable; the representatives of the two countries who contest the primacy of the oceans have promised to discuss and come to agreement [*sic*] on the question of the freedom of the seas."

27. These were the facts. Might it not be that the dreams were beginning to be found elsewhere, among those who claimed that they were free from illusions?

I have, &c.

R. GRAHAM.

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National Archives of Australia NAA: A981, UNI 173 PART 1

New York Sun

OCT - 8 1929

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Measuring Naval Bases.

Progress of the conversations between President HOOVER and Prime Minister MACDONALD is summed up in their joint statement:

> "We have frankly reviewed all the questions which might give rise to friction between our peoples. Gratifying progress has been made and conversations are continuing."

One of the questions which have hitherto caused a certain amount of friction has been that of naval bases. Without naval bases the mobility of a fleet is greatly limited, its defensive and offensive capacity much modified. American delegates to the Geneva conference took the position that they did on 10,000-ton cruisers because of the small number of outlying naval bases possessed by the United States. If the President and the British Prime Minister agree upon a naval yardstick it must be one which will measure all naval values, those of merchant marine and naval bases as well as those of fighting ships.

A discussion of naval bases by WILLIAM T. STONE in a pamphlet just issued by the Foreign Policy Association encourages the belief that the bases now in existence will not greatly complicate the problem of limitation of naval armament. In particular the bogey man of British naval bases in the Caribbean will not stand much inspection. Mr. STONE points out that the naval station at Bermuda has a dry dock equipped to handle small cruisers only, that the harbor at Hamilton cannot accommodate battleships of deep draft and that the fortifications of Bermuda are limited to two old forts which could be annihilated by the fire of a capital ship. The British naval base at Kingston, Jamaica, is of greater strategic importance, but its defenses are no more formidable than those of Bermuda and it is entirely without facilities for overhauling or repairing even the smallest warships. The British base at Port Castries is a mere anchorage, without fueling stations such as those at Bermuda and Kingston, without defenses of any kind and with no dry dock.

Former Senator REED of Missouri once spoke of these bases as a threat against the Panama Canal; his words may have inspired whatever fear of them exists. There is no evidence that American naval experts regard these West Indian stations as a threat against the Panama Canal any more than Japanese experts would regard the Pearl Harbor base in Hawaii as a threat against Japan. Naval bases are part and parcel of the naval policies of the principal Powers, but they should not prove a stumbling block on the road to agreement.

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Pacific 14 PRIME MINISTER'S DEPARTMENT.

DECYPHER XXXXXXXXX

DECODE OF CABLEGRAM.

SECRET 18A

FROM SECRETARY OF STATE FOR DOMINION AFFAIRS, LONDON TO PRIME MINISTER, CANBERRA

DATE RECEIVED 13th November, 1929 DATE SENT 12th November, 1929 8.25 p.m.

Circular B.175.

SECRET.

My telegram of the 9th November, Circular B.168. In connection with President Hoover's statement of yesterday as to the position of foodships in time of war, His Majesty's Governments in the Dominions will no doubt have observed the reference which the Prime Minister made in his speech at the Guildhall on Saturday to the question of the freedom of the seas in the following terms:

(See my code telegram immediately following).

(Remainder of message is in telegram of 12th November, 8.25p.m., copy attached.)

Prime Minister's Department.

Copy to His Excellency the Governor-General 13/11/29.

KB 13.XI.29

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PRIME MINISTER'S DEPARTMENT.

Pacific 11. **DECODE OF CABLEGRAM.**

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FROM SECRETARY OF STATE FOR DOMINION AFFAIRS, LONDON TO PRIME MINISTER, CANBERRA.

DATE RECEIVED 13th November, 1929 DATE SENT 12th November, 1929 8.25 p.m.

"It may be convenient if I assure you that a certain statement that appeared today that this most important question was to be raised at the Five Powers Conference has no basis of foundation whatever. No such question has been raised by any Government so far as I know. No such question has been raised in connection with the Five Powers Conference and I venture to say that it will not be raised at all."

(Above is concluding portion of telegram Circular D.175 of same date from Secretary of State for Dominion Affairs.)

Prime Minister's Department.

Copy to His Excellency the Governor-General
13/11/29.

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EXTERNAL AFFAIRS.

U.S.A. - Great Britain: Naval Disarmament, Belligerent Rights, etc.

Writing from London on October 10th, 1929, Major Casey throws the following light on telegram 171 of the 7th October from the British Government, and his own telegram on the same subject of 8th October:-

The course of the conversations in Washington between Mr. Ramsay MacDonald and Mr. Hoover caused the greatest anxiety amongst the members of the Cabinet in London and senior officials concerned.

The conversations between Mr. Ramsay MacDonald and General Dawes (who pretended throughout to be no more than the mouthpiece of the Washington Administration) were strictly confined to the question of the reduction of naval forces, and how technically and politically this could be brough about. There was no mention of the thorny subject of belligerent rights or the neutralisation of British ports in the Western Hemisphere. Major Casey states that in going through the record of the conversations between the British Prime Minister and General Dawes it appeared to him that President Hoover has laid himself open to a charge of lack of frankness in keeping back these most material subjects until the Washington conversations when Mr. MacDonald was not in a position to be able to consult his colleagues on them.

Subsequent to the sending of telegram No.171 of the 7th of October, the British Government was informed by S.S.R. Mr. Vassitart that Mr. Hoover had stated to Mr. MacDonald that it would be impossible for him to get the naval limitation proposals through Congress unless they contained some specific reference to belligerent rights. It is not yet clear whether the Americans or Mr. MacDonald suggested the provision relative to food ships. It would appear that it came from Mr. Hoover. If this be a fact, it would seem that he had had the subject in mind during the course of all the negotiations.

Great anxiety prevailed British Government circles on the 8th and 9th of October when it was not known whether or not Mr. MacDonald had committed himself in respect to food ships and the neutralisation of British ports in American waters. The Chancellor of the Exchequer (Mr. Snowden) did everything he possibly could to influence Mr. MacDonald in eliminating all reference to these two points. He called a meeting of the Chiefs of Staff for the purpose of obtaining their views. He enlisted the support of the Secretary of State for Foreign Affairs (Mr. Henderson). Mr. Snowden sent strongly worded telegrams in the names of his colleagues in London and in his own to Mr. MacDonald.

The ~~result of the~~ foregoing representations to Mr. MacDonald had the result of no reference to the above-mentioned subjects being made in the final joint statement issued by Mr. Hoover and Mr. MacDonald.

11.11.29

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EXTERNAL AFFAIRS.

12th November, 1929.

MEMORANDUM FOR -

The Secretary,
Department of Defence.

With reference to this office memorandum of 9th October 1929 on the subject of the recent conversations between the Right Honourable Ramsay MacDonald and President Hoover, I enclose herewith, by direction, for your information, copy of Dominions Office cablegram Circular B.168 giving a full summary of these conversations.

16

Secretary.

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PACIFIC 20
IMPORTANT.

PRIME MINISTER'S DEPARTMENT.

~~DECODE~~ DECYPHER OF CABLEGRAM.

SECRET 75

FROM Secretary of State for Dominion Affairs, London TO Prime Minister, Canberra.

DATE RECEIVED 11th November, 1929 DATE SENT 9th November, 1929 10.55 p.m.

Circular B. 168

MOST SECRET.

Following from Prime Minister:-

I think you will like to have the following summary of my conversations with President Hoover, during my visit to the United States of America last month, on the subject of belligerent rights and naval stations in the western hemisphere:

(1) Rights and immunities at sea in time of war.

The President drew attention to the view widely held in the United States that good relations between the two countries could never be fully established until the problems associated with capture of property at sea in time of war had been squarely faced. One of the most prominent supporters of this theory was Senator Borah, who remained of opinion that the question of "the freedom of the seas" should be tackled before the conclusion of an agreement on naval disarmament. Furthermore, the Naval Construction Act contained a clause inviting the President to negotiate treaties on this subject with other Powers before the meeting of the Naval Conference which under the Washington Naval Treaty was to be held in 1931. This Conference was now to be held in January 1930 instead of August 1931. Mr. Hoover admitted that this provision in the Act was not mandatory upon him: nevertheless he could not possibly afford to ignore it altogether. It was clear that the President and the Secretary of State realised the dangers and difficulties surrounding this question but they felt impelled to suggest that the whole matter should be examined by a body of jurists representative of the important naval Powers, who should conduct a thorough enquiry and report their views as to any "possible or constructive" method of reaching a settlement. Mr. Hoover then developed at some length his scheme that, as part of such a settlement; ships laden exclusively with food supplies should be declared immune from capture in time of war and thus

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DECODE OF CABLEGRAM.

Decypher

FROM ..... TO .....

DATE RECEIVED ..... DATE SENT .....

placed in the same category as hospital ships or ships carrying medical supplies. This idea has long been in his mind and is the direct outcome of his own experience and activities during the war.

Seeing that the conservation of food supplies of the United Kingdom in time of war was one of the principal pre-occupations of every British Government, the President suggested a general treaty prohibiting the capture of food ships should prove to be of great value to us and should assist progress of naval disarmament.

In reply I drew attention to the risk involved in raising this question, particularly [until] the naval question had been safely got out of the way. A Committee appointed by the late Government had been examining the whole subject, and had found it replete with dangers and complexities of every sort. To touch it now might mean sacrificing much that had been recently achieved in other directions. As regards food-ships scheme I said that I would be quite prepared to look into it carefully but I warned him that, judging by information at present available, some at least of my advisers at home were likely to be opposed to it, on the ground that the cutting-off of food supplies had been long regarded as a perfectly legitimate and a very powerful method of applying naval pressure. Application of this method of pressure might prove one day to be ~~the~~ necessary part of the measures to be taken by the Powers of the World against a Power or Powers guilty of going to war in defiance of the Kellogg pact. Furthermore, even if a practicable method could be found of safeguarding food-ships from attack from air while in port - of which I was by no means sure - there remained the difficulty that such a treaty would presumably have no guarantee behi it. In other words a treaty breaker would not apparently be subject to any international sanction. Lastly the question an

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apparent conflict with Article sixteen of the Covenant of the League of Nations would have to be considered.

Mr. Hoover declared it was very unlikely that the world would ever agree to another foodships blockade whatever provocation offered. Moreover even after conclusion of such a treaty signatory States would remain free to close their frontiers to exports of foodstuffs to an outlaw State. As regards attack from air while foodship was in port of one of the belligerents this could be overcome by assigning certain ports or sections of ports to the handling of foodships only, and the ships would of course have a distinctive marking in the same way as hospital ships. On the point of a guarantee Mr. Hoover was only able to say that it was not reasonable to suppose that the United States, having itself taken the initiative in securing the conclusion of such a treaty, would stand aside and watch violation with indifference. Finally Mr. Hoover hinted that the conclusion of a treaty rendering food-ships immune from capture would probably make it unnecessary to proceed any further into this complex problem of rights of neutrals and of belligerents. This, I think, is also certainly in the mind of the Secretary of State and his Department.

Seeing that the President and his administration were evidently of the opinion that the question of freedom of the seas must now be raised in one form or another, and that if we adopted a non-possumus attitude we should shortly be faced with the summoning of an international conference or commission of jurists. I said that I was quite prepared to go carefully into the whole subject when I returned home, but that if matters were to be discussed internationally the right method would be to begin by preliminary and informal discussions between our two Governments on the lines of the recent naval conversations. Even such discussions should be postponed at least until after the five Powers Naval

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Conference. After some hesitation, Mr. Hoover agreed on the first point though he added that separate conversations on this question between the United States and ourselves were likely to arouse suspicious criticism in many quarters both in the United States and abroad. He agreed that actual discussions might be postponed until after the five Powers Conference, but declared that if he was to carry Senator Borah with him and also others who shared the Senator's views it was important to issue a statement during my visit to the effect that we were ready to discuss this question at the appropriate time. Statement was issued accordingly on October 9th. See 'A'

2. British naval stations in the western hemisphere.

In introducing this subject the President observed that our naval stations in proximity to the United States of America had been made the pretext for good deal of hostile propaganda against the idea of a naval agreement with ourselves. Those who were opposed to an understanding alleged that the possession of these naval stations gave the Empire a great strategical advantage of which account should be taken in any naval agreement, and the reiteration of this view by those favouring a United States navy had had undoubtedly its effect in the country as a whole. No responsible authority in the United States of America regarded these stations as a real menace to the United States of America, but there was a great deal of misapprehension on the subject in the popular mind, and the chance of a satisfactory agreement on the naval question would indubitably be improved if this controversy surrounding those naval stations could be stilled once for all. Mr. Hoover said that if His Majesty's Government would be prepared to declare that Great Britain had no intention of causing her stations in the western hemisphere to be menace to the United States of America, the United States Government would make a similar declaration in regard to their stations in the eastern hemisphere. Mr. Hoover admitted frankly that

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this quid pro quo would be of little use to us except as a matter of form because the United States had only one naval station in the eastern hemisphere, namely Corregidor, in the Philippines, and this was already covered by Article 19 of the treaty of 1922 for the limitation of naval armaments. He hoped nevertheless we would consider the matter carefully. I replied that our naval stations at Bermuda and in the Caribbean were only fortified to the extent necessary to defend them against raiders or a weak force and could not by any flight of the imagination be regarded as a menace to the United States. Nevertheless I took note of what the President had said about the use which was being made of the existence of these stations by those who were opposed to naval agreements. We had of course no intention to so modify the existing fortifications of establishments as to turn them into menace to the United States and I did not believe that there could be any serious objection to placing this absence of intention on record. But I thought we ought to begin with a definite statement from the United States side that these stations were not regarded at present as a menace by the United States Government. Mr. Hoover promised to secure a statement to this effect from the United States Naval Board although he added somewhat grimly that this would probably be no easy task.

When the question of Halifax was mentioned, I said that this was a matter for the Canadian Government and I could not anticipate at all what their views would be. The Caribbean and Canadian naval stations seemed to me to be in quite separate categories and the difficulty as regards the latter appeared to be that Canada might reasonably expect some corresponding declaration on the United States side in regard to naval stations in the United States of America in proximity to the Canadian-United States frontier. On this latter point it was intimated to me that there

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was little prospect of any declaration being forthcoming in regard to United States naval stations in the western hemisphere. It had been now decided that the question of belligerent rights should be considered by a special sub-committee of the Committee of Imperial Defence presided over by me and consisting of the Secretary of State for Foreign Affairs, Secretary of State for Dominion Affairs, Secretary of State for the Home Department and the three service ministers with expert assessors. Question raised as to naval stations is being considered by the chiefs of staff sub-committee.

Prime Minister's Department.

Copy to H.E. the Governor-General.

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A

THE TIMES 10/10/1929

USA
GB

TEXT OF JOINT STATEMENT

A FRESH START

CONVERSATIONS TO CONTINUE

WASHINGTON, OCT. 9.—The following statement was issued simultaneously at the British Embassy and at the White House:—

"The visit of the British Premier to Mr. Hoover, which has now terminated, had as its chief purpose the making of personal contacts which will be fruitful in promoting friendly, frank relations between the two countries.

"Both the President and the Prime Minister are highly gratified by the keen interest which the people of both countries have taken in their meeting and regard it as a proof of the strong desire of both nations to come to a closer understanding. The British Prime Minister has been particularly impressed and gratified by the warmth of his welcome and by the flood of expressions of good will which have been poured upon him.

"At the moment of his leaving Washington the following joint statement is issued:—

"During the last few days we have had an opportunity in the informal talks in which we have been engaged not only to review the conversations on naval agreement which have been carried on during this summer between us, but also to discuss some of the more important means by which the moral force of our countries can be exerted for peace.

"We have been guided by the double hope of settling our own differences on naval matters and so establishing unclouded good will, candour, and confidence between us and also of contributing something to the solution of the problems of peace, in which all other nations are interested and which calls for their cooperation.

"In signing the Paris Peace Pact 56 nations have declared that war shall not be used as an instrument of national policy. We have agreed that all disputes shall be settled by pacific means. Both our Governments resolve to accept the Peace Pact not only as a declaration of our good intentions, but as a positive obligation to direct our national policy in accordance with its pledge.

"The part of each of our Governments in the promotion of world peace will be different, as one will never consent to become entangled in European diplomacy and the other is resolved to pursue a policy of active cooperation with its European neighbours; but each of our Governments will direct its thoughts and influence towards securing and maintaining the peace of the world.

HISTORICAL PROBLEMS

"Our conversations have been largely confined to the mutual relations of the two countries in the light of the situation created by the signing of the Peace Pact. Therefore, in a new and reinforced sense the two Governments not only declare that war between them is unthinkable, but that distrusts and suspicions arising from doubts and fears which may have been justified before the Peace Pact must now cease to influence our national policy.

"We approach the old historical problems from a new angle and in a new atmosphere. On the assumption that war between us has been banished, and that conflicts between our military or naval forces cannot take place, these problems have changed their meaning and character, and their solution in ways satisfactory to both countries has become possible.

"We have agreed that those questions should become the subject of active consideration between us. They involve important technical matters requiring detailed study. One of the hopeful results of the visit which is now terminating officially has been that our two Governments will begin conversations upon them, following the same method as that which has been pursued during the summer in London.

"The exchange of views on naval reduction has brought the two nations so close to agreement that the obstacles in previous conferences arising out of Anglo-American disagreements seem now to be substantially removed. We have kept the nations which took part in the Washington Naval Conference in 1922 informed of the progress of our conversations, and we have now proposed to them that we should meet together and try to come to a common agreement which would justify each in making substantial naval reductions. An agreement on naval armaments cannot be completed without the cooperation of the other Naval Powers, and both of us feel sure that by the same free and candid discussion of needs which has characterized our conversations such mutual understandings will be reached as will make naval agreement next January possible, and thus remove this serious obstacle to the progress of world disarmament.

NAVAL PARITY

"Between now and the meeting of the proposed conference in January our Governments will continue their conversations with the other Powers concerned in order to remove as many difficulties as possible before the official formal negotiations open.

"In view of the security afforded by the Peace Pact, we have been able to end, we trust for ever, all competitive building between ourselves, with the risk of war and the waste of public money involved, by agreeing to a parity of our fleets, category by category.

"Success at the coming conference will result in a large decrease in the naval equipment of the world and, what is equally important, the reduction of prospective programmes of construction, which would otherwise produce competitive building to an indefinite amount. We hope and believe that the steps we have taken will be warmly welcomed by the people whom we represent as a substantial contribution to the efforts universally made by all the nations to gain security for peace, not by military organization, but by peaceful means rooted in public opinion and enforced by a sense of justice in the civilized world."—*Reuter.*

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Naval

"S. M. Herald" Disarmament

NOV -9 1929

NAVAL AFFAIRS

FREEDOM OF THE SEAS.

President Hoover's Hopes.

MONTREAL, Nov. 8.

The correspondent of the United Press at Washington, says that it is learned that President Hoover is seeking means of broadening the London conference to include a discussion on the freedom of the seas. Word of this drifted to diplomatic circles following a conference at the White House between President Hoover and the Secretary of State (Mr. Stimson).

It is understood that General Dawes, who will sail for England to-night, has been acquainted with the President's views regarding the entire question of wartime law of the sea. It is believed in official circles that General Dawes will present the United States' views informally to the British Government, and if a formula can be found to bring the two Governments to a general understanding on the subject, the way will be paved for drawing specific recommendations to the London conference for a restatement of the laws of blockade, search, seizure, and the rights of neutrals.

The President is believed to have canvassed every phase of this problem during his discussions with Mr. MacDonald, and, although no formula could be found at that time for presenting the problem to the London conference, a free exchange of views left President Hoover hopeful that means would be discovered to bring up the question for early consideration. Mr. MacDonald is regarded here as disposed to support any plan for discussion of the freedom of the seas which would assure security to the British Empire.

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Melbourne "Herald"

NOV -1 1929

USA 13

FREEDOM OF THE SEAS

Concessions to U.S.

DID PREMIER NEARLY MAKE BLUNDER?

(Herald Special Representative)

LONDON, October 31.—It is now possible to reveal that Mr MacDonald, while in the United States, considered making concessions to America in connection with the freedom of the seas which some members of the Cabinet, including Mr Snowden, Chancellor of the Exchequer, regarded with great alarm.

It is stated that there was even a possibility of two resignations.

Mr Snowden immediately communicated with Mr MacDonald on the trans-Atlantic telephone, with the result that a joint statement by President Hoover and Mr MacDonald was amended.

Mr Snowden considered that Mr MacDonald's proposals would have impaired British naval efficiency in the Pacific.

Perhaps the most extraordinary aspect of the situation is that this particular phase of the conversations does not appear to have been discussed with the Dominions.

Undoubtedly Mr MacDonald could not have actually committed the Empire to such concessions to America, but even the fact that he discussed these with Mr Hoover should have been communicated to the Dominions before an indication of policy was given.

QUESTION OF FOOD SHIPS

It seems clear that Mr MacDonald hoped to offer such concessions, otherwise the need for Mr Snowden's hasty action would never have arisen.

It is particularly significant that Mr MacDonald tonight referred, aboard the liner Duchess of York, to the difficulties of communicating with the Dominions by despatches.

It is held that such difficulties made it virtually impossible for him to submit his day-to-day conversations with Mr Hoover to the Dominions.

Mr MacDonald's original draft agreement with Mr Hoover, it is stated, would have indicated his readiness to declare food ships inviolate in war time, thus rendering a blockade impossible.

There had been considerable nervousness before his departure that Mr MacDonald might have been swayed by enthusiasm to give away more than he intended, and the draft agreement confirmed these fears.

IMPORTANCE OF BLOCKADE RIGHT

The eventual joint statement did not mention the freedom of the seas, but referred to "security afforded" by the Kellogg anti-war pact.

This freedom of the seas question has always been one of the most important factors, enabling Britain to assure the Empire's security, and the importance of the blockade of Germany in the Great War largely accounts for the strong British opinion in favor of Britain retaining the utmost right to blockade, by which the British navy is entitled to search ships suspected of supplying the enemy.

Certain critics argue that, with the Kellogg Pact and League Covenant, Britain could safely forego such a right to search.

Mr MacDonald is among this school, but it is suggested that Mr Snowden and others consider the time has not yet arrived when such idealism can become realism.

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EXTERNAL AFFAIRS.

BRITISH BASES IN THE WESTERN HEMISPHERE.

From time to time sections of the U.S.A. press have proposed that Great Britain should surrender her colonies in the West Indies in part settlement of her war debt to U.S.A. Attention has also been directed in certain press circles to the alleged threat to the U.S.A. and the Panama Canal offered by the British naval stations in Bermuda and the West Indies. A British review in July last suggested that the British West Indies should be "Neutralised" - the meaning being that the existing British bases there should be dismantled and no new bases established.

The subject was discussed in the course of the recent conversations between Mr Ramsay MacDonald and Mr Hoover. The General Board of the U.S.A. Navy had expressed the opinion that the existing British naval and military stations in the Western Hemisphere are not in a condition to be a menace to the U.S.A., and it was agreed that Great Britain would not establish any new naval or military stations in her possession in the Western Hemisphere or alter any existing stations in such a way as to become a menace to the U.S.A. The U.S.A. made a similar agreement as to the Eastern Hemisphere, subject to the provisions of the Washington Treaty of 1922 as regards the Pacific. The Western Hemisphere is the portion of the globe west of 30 meridian (Azores mid-Atlantic) and east of 170 meridian (Tonga mid-Pacific).

This agreement affects Great Britain and Canada rather than Australia except in so far as Australia must be concerned with every proposal which tends to increase or diminish the power of the British Commonwealth as a whole. Although in peace time Australia does use the line of communication through the Panama Canal to some considerable extent, in time of war this line of communication would be entirely subject to the control of the U.S.A. as the holders of the Panama Canal.

At the present time Kingston (Jamaica) and St Georges(Bermuda) are the only ports in the B.W.I, provided with fixed defences, and in the event of a war with any maritime Power would assume considerable naval importance. Kingston would be required as a naval anchorage, fuelling base, convoy assembling port and contraband control base. St Georges is the only dockyard in the West Indies, an important wireless station, and would be required as a naval anchorage. It was decided in 1926 that in view of the international situation the coast defences of both ports might be reduced to a cadre and care and maintenance basis and the only body of British troops on the station is now one infantry battalion (see Annexure "A").

Provided they agree to be bound by the agreement the Dominion of Canada will be unable to alter their existing Bases at Halifax (N.S.) or Esquimault (B.C.) or to establish any new bases unless it was possible to show that the new bases or the alteration of the old one was for such a purpose that it would not be a menace to the U.S.A.

As the Navy Board point out (see Annexure "B"), the agreement lacks any element of reciprocity for whilst

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Great Britain and possibly Canada agree not to alter any of their existing ~~Naval~~ bases or to establish new bases in an area where they have very extensive territories and interests, the U.S.A. agree not to establish bases in an area in which they have large commercial interests but no territories, and it would appear unlikely that they would acquire territory(unless they took over the administration of Liberia where they have already important commitments but where there is no suitable site for a naval base). The Navy Board urge the necessity for some qualification to allow for changing circumstances, which, for instance, might make it essential to improve or establish bases in this Western Hemisphere not as a threat to the U.S.A. but as a defence against a threat from another quarter.

There is one other aspect of the matter. At the present time the U.S.A. are making great efforts to exercise a greater and greater influence in Latin America, to supply the loan moneys required, the goods needed, and the necessary steamship and air services. At nearly every turn their efforts threaten British interests for, in the past, Great Britain has been the main provider of loan funds to South America, has had a large trade in most South American markets, and has been a great carrier of South American goods to North America and the Continent of Europe. At the present time a British trade mission headed by Lord D'Abernon is visiting Brazil and Argentine and in certain, at all events, of the South American countries there is a tendency to resist the growing U.S.A. influence. The question arises, will the South American countries see in such an agreement as this a surrender by Great Britain in South America in the U.S.A., and feel that, whatever their feelings, they must in future look to the U.S.A. alone and will its result accordingly be to diminish British trade in an important section of the world? (see Annexure "C").

K.O.

25th October,1929.

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ANNEXURE "A".

BRITISH GARRISON IN THE WEST INDIES.

	Jamaica	Bermuda.
Staff ..	19	29
Miscellaneous ..		
Artillery ..	40	-
Engineers ..	12	-
Signals ..	6	14
Infantry ..	661(i)	200(ii)

(i) One battalion less one company.

(ii) One company.

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ANNEXURE B.

The Naval Board observe that any measure which tends to increase or diminish the power of the British Empire as a whole in any war is the concern of every one of its parts and have therefore considered both questions mentioned in the telegram referred to above.

It is noticed that the words "Great Britain will not hereafter establish any military or naval station in her possessions in the Western Hemisphere nor alter any such existing station in such a way as in either case to become a menace to the United States", do not necessarily imply that Great Britain undertakes never to improve or fortify the West Atlantic Bases, but only that she will not do so as a threat to the United States. If, however, at the present time the United States is only able to regard them as not being a menace to her because they are almost undefended and undeveloped, it is difficult to see how at any future time their development, though called for by a political situation unconnected with the United States, will not appear to her in the light of a menace.

Under the Washington Treaty, Great Britain undertook to maintain the status quo in respect of certain bases and possessions (notably Hong Kong) but these concessions were set off by those made by the other signatory powers. No quid pro quo is seen in the present proposals although worded as if to make it appear that each country had a larger number of bases in its respective hemisphere to be affected under this proposal and that equal concessions were being made by both sides. Further, the United States and Canada are both large and adjacent countries on the same North American Continent; the former proposes to retain the right to fortify and develop all its bases and to deprive the latter of the same clear right. No reciprocity is seen in this proposal. If the people of the United States are so sensitive as to see a menace in the development or fortification of Halifax, the Canadians would seem entitled to hold the same view about New York.

The Naval Board are of opinion that posterity should not be jeopardised by any undertaking which tends to a weakening of the potential power of the Empire without tangible concessions on the part of the United States. Experience has shown that concessions made in the past with the intangible object of improving Anglo-American relations have not in fact produced that result.

The Naval Board point out that under the Washington Treaty (Article 21) any Contracting Power which considers that the requirements of its National security in respect of naval defence have been materially affected by any change of circumstances may request amendment of the Treaty by mutual agreement. The Board suggest that if the Empire, notwithstanding the disadvantages, decides to agree to the United States request regarding the Atlantic bases, the agreement should contain a similar qualification to allow for changing circumstances and be on the following lines :-

The Contracting Parties declare that the bases and territories in their respective hemispheres as described are not and will not be used in any way as a threat to the other. They declare that they have no present intention of fortifying or developing such bases or territories for

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naval use, and if any future change of circumstances necessitates a change in policy in this respect they will keep each other fully informed of the alterations, improvements or fortifications which they propose to erect and of the circumstances which make them necessary.

The Naval Board observe that the United States has claimed a larger number of 10,000 ton 8" gun cruisers than the British Empire on the ground of lack of world wide bases compared with the position of the Empire in this respect. The United States is now desiring to maintain a greater number of large cruisers and reduce the number of British bases which made that number justifiable. Any firm limitation on the future use or development of British Bases will result in the requirements of the Empire of large cruisers of great radius of action being increased. At present a large proportion of the British cruisers are small ones which is justified by the world wide network of British Bases.

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ANNEXURE "C".

BRITISH INTERESTS IN SOUTH AMERICA.

...

British Trade.

1926	Millions.	Percentage of British Trade.
Exports to South America	£55	8.93
Imports from South America	£102	8.62

Capital Invested.

1925

British	£1,140,000,000
U. S. A.	£188,000,000

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TELEPHONE B.281. T/VW.

COMMONWEALTH OF AUSTRALIA.

DEPARTMENT OF DEFENCE.

No. 817

CANBERRA, F.C.T. 24th October, 1929.

24/10/29

MEMORANDUM FOR :-

The Secretary,
Prime Minister's Department.

With reference to your memo. of 9th October, forwarding copy of a Secret telegram, No.171, regarding conversations which are taking place between Mr. MacDonald and Mr. Hoover, I desire to forward herewith the Naval Board's comments on the subject.

Sec. Shepherd

Secretary.

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522/401/108.

NAVAL DISARMAMENT.

SECRET

The Secretary,
Department of Defence.

With reference to the telegram of 7th October (Pacific 16) from the Secretary of State for Dominion Affairs to the Prime Minister, I am directed to state that the Naval Board have fully considered its contents and desire to make the following observations for the consideration of the Commonwealth Government.

2. The telegram was despatched too late for any possibility of a reply being sent to reach Mr.Ramsay Macdonald in Washington by the time stated. It appears that this fact may have been realised by him as no statement such as was proposed in the telegram seems to have been issued at Washington. A press statement indicates that time is being taken to consult the Dominions and this seems likely to be true and in any case further telegrams on these lines may be expected.

3. The Naval Board observe that any measure which tends to increase or diminish the power of the British Empire as a whole in any war is the concern of every one of its parts and have therefore considered both questions mentioned in the telegram referred to above.

4. It is noticed that the words "Great Britain will not hereafter establish any military or naval station in her possessions in the Western Hemisphere nor alter any such existing station in such a way as in either case to become a menace to the United States", do not necessarily imply that Great Britain undertakes never to improve or fortify the West Atlantic Bases, but only that she will not do so as a threat to the United States. If, however, at the present time the United States is only able to regard them as not being a menace to her because they are almost undefended and undeveloped, it is difficult to see how at any future time their development, though called for by a political situation unconnected with the United States, will not appear to her in the light of a menace.

5. Under the Washington Treaty, Great Britain undertook to maintain the status quo in respect of certain bases and possessions (notably Hong Kong) but these concessions were set off by those made by the other signatory powers. No quid pro quo is seen in the present proposals although worded as if to make it appear that each country had a large number of bases in its respective hemisphere to be affected under this proposal and that equal concessions were being made by both sides. Further, the United States and Canada are both large and adjacent countries on the same North American Continent, the former proposes to retain the right to fortify and develop all its bases and to deprive the latter of the same clear right. No reciprocity is seen in this proposal. If the people of the United States are so sensitive as to see a menace in the development or fortification of Halifax, the Canadians would seem entitled to hold the same view about New York.

6. /

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6. The Naval Board are of opinion that posterity should not be jeopardised by any undertaking which tends to a weakening of the potential power of the Empire without tangible concessions on the part of the United States. Experience has shown that concessions made in the past with the intangible object of improving Anglo-American relations have not in fact produced that result.

7. The Naval Board point out that under the Washington Treaty (Article 21) any Contracting Power which considers that the requirements of its National security in respect of naval defence have been materially affected by any change of circumstances may request amendment of the Treaty by mutual agreement. The Board suggest that if the Empire, nothwithstanding the disadvantages, decides to agree to the United States request regarding the Atlantic bases, the agreement should contain a similar qualification to allow for changing circumstances and be on the following lines :-

The Contracting Parties declare that the bases and territories in their respective hemispheres as described are not and will not be used in any way as a threat to the other. They declare that they have no present intention of fortifying or developing such bases or territories for naval use, and if any future change of circumstances necessitates a change in policy in this respect they will keep each other fully informed of the alterations, improvements or fortifications which they propose to erect and of the circumstances which make them necessary.

8. The Naval Board observe that the United States has claimed a larger number of 10,000 ton 8" gun cruisers than the British Empire on the ground of her lack of world wide bases compared with the position of the Empire in this respect. The United States is now desiring to maintain a greater number of large cruisers and reduce the number of British bases which made that number justifiable. Any firm limitation on the future use or development of British Bases will result in the requirements of the Empire of large cruisers of great radius of action being increased. At present a large proportion of the British cruisers are small ones which is justified by the world wide network of British Bases.

9. With regard to the proposed immunity for food ships in time of war, the Naval Board are of the opinion that although superficially this may appear to be of advantage to the Empire on account of the well known dependence of Great Britain on ~~ships~~ supplies of food from overseas, any agreement on these lines at the present moment is most undesirable for the following reasons :-

10. The Empire is pre-emminently a maritime as opposed to a military power. Its chief weapon in time of war is therefore the economic pressure exerted by sea power. Any curtailment of this power by acceptance of the doctrines commonly known as the Freedom of the Seas is a grave weakening of the Empire's power to wage war when such has been forced upon it.

11. The United States is inconsistent in making this proposal since she herself when at war has always made the utmost use of the methods which she now denounces: e.g., in the American Civil War and in the late war. She now proposes the contrary doctrine believing that she can keep clear of European or other entanglements while desiring to gain all possible benefits as a Neutral in future wars.

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12. The observation regarding starvation of women and children does not bear investigation. The reduction by starvation of a city by siege is a practice from time immemorial and no one is now proposing to abolish this military operation as barbarous. In modern war whole populations are engaged and it is no longer a matter between professional soldiers and sailors. It is a commonplace that each side endeavour to exert the utmost pressure on the other and starvation is not the most intolerable method as the country to which this is applied has time for reflection and alteration of its policy before the situation becomes extreme. It is illogical to propose that country A may bomb the civilian population (engaged in military production) of country B while the latter is not entitled to put a different form of pressure on the civilian population of its enemy. Further, it is for the country on which economic pressure is being exerted to decide what of its own nationals shall starve first, the women and children or its armies. Germany deprived the former to feed the latter.

13. The greatest danger in any agreement on these lines is seen in the fact that Great Britain and the United States alone of the possible signatories can be relied upon to abide by it. For war to take place at all one of the belligerents must xxxx already have broken one pledge (the Peace Pact). Can it possibly be expected that the same belligerent will hesitate to break another one when it appears advantageous to her to do so? If this agreement for the immunity of food ships be made, the only possible guarantee to the British Empire that it will be observed in time of war is a guarantee by the United States that they would regard any infringement whatever of this agreement as a casus belli; otherwise the British Empire will be throwing away a powerful factor in the economic weapon and getting no security whatever in exchange.

14. It is not known whether there is the slightest possibility of the United States consenting to such a guarantee but all indications appear to point to the desire of the United States to remain free of any entanglements whatever which might possibly bring her into a war on any grounds whatever.

15. As between the British Empire and the United States alone it may be possible to achieve political security based on moral factors and agreements and not on armaments, but it is clear that this does not hold good for the rest of the world.

16. The Naval Board are of the opinion that this question of foodships is of a most intricate and far reaching nature and that no preliminary agreement should be attempted until it has undergone a most careful examination by all nations and that the most stringent guarantees for its observance by all nations are necessary before it can be entertained by the British Empire.

A.B.B.

(sd) Geo L Macandie
Secretary,
Naval Board

15/10/29.
Chief of Naval Staff
Submitted for approval
(sd) C.T. Pope
15/10/29

Approved
J.B.S.

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10

EXTERNAL AFFAIRS.

KO/VI

RELATIONS BETWEEN GREAT BRITAIN AND THE UNITED STATES OF AMERICA.

...

Besides the negotiations on the subject of the limitation of naval armaments other questions have actually been or have seemed likely to become the subject of discussion between His Majesty's Government in the United Kingdom and U.S.A. In June last it was decided, in the course of the preliminary conversations between Mr. Ramsay MacDonald and General Dawes, that all attention was to be concentrated on the subject of naval armaments and that other questions were to be left in abeyance for the time being. But now that a measure of agreement has been arrived at on the subject of naval armament other questions will again come under consideration.

1. The Anglo-U.S.A Arbitration Treaty - the previous Anglo-U.S.A Arbitration Treaty, signed in 1908, expired by limitation on 4th June, 1928. Some time prior to its expiry the U.S.A. communicated the draft of an arbitration treaty to replace that of 1908 and this draft was the subject of careful consideration by His Majesty's Government in the United Kingdom and the Dominions and of consultation between them during 1928 and the early part of 1929, the Dominions Governments having all considered the criticism of His Majesty's Government in the United Kingdom and expressed their own views. It seems probable that the subject of the Arbitration Treaty will shortly be taken up afresh.

2. Belligerent rights at sea - The Bill passed by the U.S.A. Congress in February 1929, which provided for the construction of 15 cruisers also called for the conclusion of a treaty or treaties with all the principal maritime nations regulating the conduct of belligerents and neutrals in war at sea including the inviolability of property thereon. The question of the attitude to be adopted by His Majesty's various Governments should this matter be raised by the United States of America was the subject of consultation between them in the earlier months of 1929.

   The subject was discussed in the course of the recent conversations between Mr. Ramsay MacDonald and President Hoover and they decided that the question should be examined freely and frankly.

3. The British bases in the West Indies. From time to time sections of the U.S.A. press have proposed that Great Britain should surrender her colonies in the West Indies in part settlement of her War Debt to U.S.A.. Attention has also been directed in certain press circles to the alleged threat to the U.S.A. and the Panama Canal offered by the British naval stations in Bermuda and the West Indies. A British

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review in July last suggested that the British West Indies should be "neutralised" - the meaning being that the existing British bases there should be dismantled and no new bases established. This subject also has been discussed in the course of the conversations between Mr. Ramsay MacDonald and Mr. Hoover. The General Board of the U.S.A. has expressed the opinion that the existing British naval and military stations in the Western Hemisphere are not in a condition to be a menace to the U.S.A., and it has been agreed that Great Britain will not establish any new naval or military stations in her possession in the Western Hemisphere or alter any existing stations in such a way as to become a menace to the U.S.A. The U.S.A. make a similar agreement as to the Eastern Hemisphere, subject to the provisions of the Washington Treaty of 1922 as regards the Pacific. The Western Hemisphere is the portion of the globe west of 30 meridian (Azores mid Atlantic) and east of 170 meridian (Tonga mid Pacific). See 8

Ko
21.X.29

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EXTERNAL AFFAIRS.

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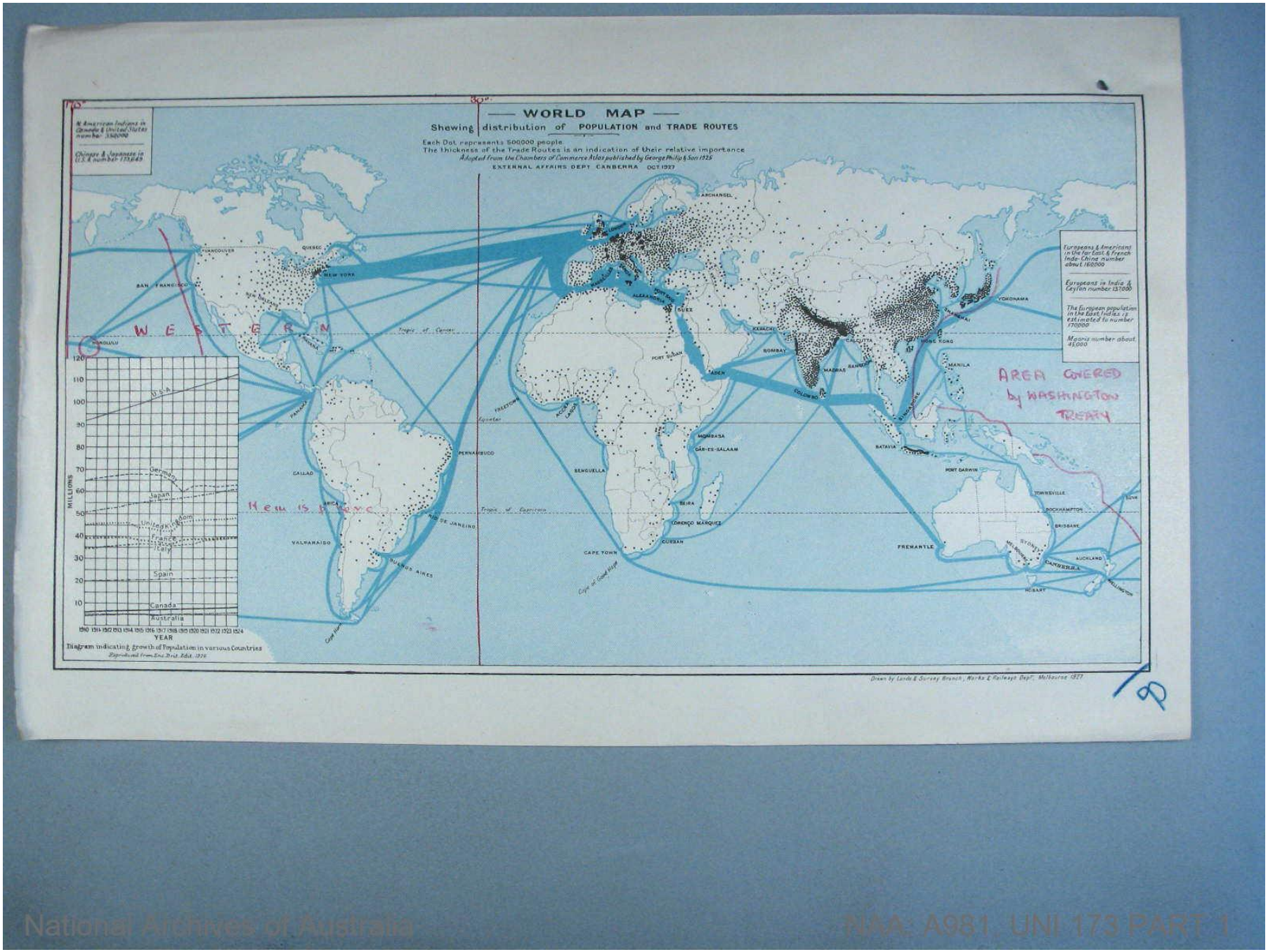
WORLD MAP
Shewing distribution of POPULATION and TRADE ROUTES
Each Dot represents 500000 people
The thickness of the Trade Routes is an indication of their relative importance
Adapted from the Chambers of Commerce Atlas published by George Philip & Son 1925
EXTERNAL AFFAIRS DEPT CANBERRA OCT 1927
N. American Indians in Canada & United States number 330000
Chinese & Japanese in U.S.A. number 175849
Europeans & Americans in the far East & French Indo-China number about 160000
Europeans in India & Ceylon number 137000
The European population in the East Indies is estimated to number 170000
Maoris number about 43000
WESTERN
AREA COVERED by WASHINGTON TREATY
Tropic of Cancer
Equator
Tropic of Capricorn
MILLIONS
YEAR
USA
Germany
Japan
United Kingdom
France
Italy
Spain
Canada
Australia
Diagram indicating growth of Population in various Countries
Reproduced from Ency Brit Edit 1910
Drawn by Lands & Survey Branch, Works & Railways Dept. Melbourne 1927

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USA - GB

17

ET/JC

PRIME MINISTER.

Mr. Galbraith, Defence Department, desires to know whether a telegram had been despatched or is still being contemplated in reply to the telegram of the 7th October, 1929, from the Secretary of State for Dominion Affairs in connection with the interchanges of views between Mr. McDonald and President Hoover.

Mr. Galbraith intimated that some relevant matter had now been received by him from the Naval Branch of the Defence Department.

EGG

17/10/1929.

D. Henderson

Advised Galbraith "yes" and the information will be sent forward

EGG 18. X. 29

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Pacific 7.

PRIME MINISTER'S DEPARTMENT.

SECRET

16

DECODE OF CABLEGRAM.

FROM Secretary of State for Dominion Affairs, London. TO Prime Minister, Canberra.

DATE RECEIVED 11th October, 1929. DATE SENT 10th October, 1929. 7.45 p.m.

SECRET.

My telegram 7th October, Commonwealth of Australia 171, New Zealand 117, Union of South Africa 104, interchange of views between the Prime Minister and the President of the United States. Text of statement as issued simultaneously by His Majesty's Embassy at Washington and the United States Government last night is not being telegraphed to you as it is assumed that the press agencies have telegraphed full text to the Dominions.

Commonwealth of Australia	175
New Zealand	120
Union of South Africa	106.

Prime Minister's Department

Copy to His Excellency the Governor-General
11/10/1929.

National Archives of Australia NAA: A981, UNI 173 PART 1

15

EXTERNAL AFFAIRS.

I.

Decypher of telegram received from Major Casey, dated - London, 10th October, 1929.

My telegram October 8th. Joint statement published in press to-day omits contentious matter after urgent representations from London.

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EXTERNAL AFFAIRS.

4

Mr Galbraith by telephone informs me that he has just been speaking to Mr Shepherd on telephone to whom Mr Galbraith gave the gist of S.P.S. cable No 171. Mr Shepherd said that it would be impossible to call the naval advisers together (in Brisbane) & then cabinet this morning to-day in time to-day any observations on the subject of the cable. Mr Galbraith said that therefore we need not await any observations from Defence Dept

Hart

3.5D pm

OCT 9 1929

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SECRET

13

I.

Decode of telegram received from Major Casey, dated - London, 8th October, 1929.

Reference Dominions Office telegram No.171, October 7th.

It has been pointed out to Ramsay MacDonald by telegram that Food Ships Agreement not consistent with Article 16 of League Covenant in that economic sanctions would thereby be deprived of force in League war.

Personal telegram is being sent to Ramsay MacDonald tonight from Snowden with sanction of only three Ministers, who happen to be in communication, to the effect that raising of question of freedom of the seas is disturbing as [eminent], difficult and controversial subject had never been anticipated by Cabinet as likely to arise in Washington. Concession that Hoover desires re food ships strikes at heart of position that Great Britain has always maintained respecting belligerent rights.

---

for Prime Minister

WA.
9-X-29

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2

EXTERNAL AFFAIRS.

HAP/I

URGENT

9th October, 1929.

MEMORANDUM for :-

The Secretary,
Department of Defence.

I forward herewith copy of a Secret telegram, No.171 of 7th October, which has just been received from the Secretary of State for Dominion Affairs in connexion with the conversations which are taking place between Mr MacDonald and Mr Hoover. As you will notice, the matter is extremely urgent and I am directed to ask that you will be so good as to furnish me at the earliest possible moment with any observations your Department may desire to offer on the subject.

Secretary.

Strictly messenger
at 3.10pm 9 10 29
HAP.

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Pacific 16.

PRIME MINISTER'S DEPARTMENT.

SECRET

DECODE OF CABLEGRAM.

FROM Secretary of State for Dominion Affairs, London. TO Prime Minister, Canberra.

DATE RECEIVED 8th October, 1929. DATE SENT 7th October, 1929. 8 p.m.

SECRET.

Following has been received from the Prime Minister :-

"It is proposed to issue from the White House on Wednesday evening for publication on Thursday morning a statement outlining the range of subjects touched upon during the prolonged interchanges of views which have taken place at the President's camp to-day. Amongst the points to be mentioned in the statement are the following :-

Naval Stations.

With a further view to reducing ~~the~~ fear and the friction that comes from fear, we have obtained opinion from our General Board of the Navy that the existing military and naval stations of Great Britain in the Western Hemisphere are not in a condition to be a menace to the United States. Great Britain will not hereafter establish any military or naval station in her possessions in the Western Hemisphere nor alter any such existing station in such a way as in either case to become a menace to the United States.

Reciprocally United States makes the same agreement as to the Eastern Hemisphere. It is understood, however, by both parties that the above declaration does not alter or supersede the provisions of Article XIX of the Washington Treaty of 1922 for the Limitation of Naval Armaments.

Such Western Hemisphere is to be defined as that portion of the globe lying west of the 30th Meridian and east of the 170th Meridian, and the Eastern Hemisphere as the remainder of the globe.

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PRIME MINISTER'S DEPARTMENT.

DECODE OF CABLEGRAM.

FROM ..... TO .....

DATE RECEIVED ..... DATE SENT .....

Rights and immunities at sea.

We recognise that some of the most troublesome questions in international relations are those arising out of rights and immunities at sea during ~~the~~ war.

Controversies and disputes engendered by this subject have in the past been pregnant with danger, aggravating or extending hostilities. Misunderstandings and fears arising from this source have been frequent but, we believe, an avoidable cause of friction between our two countries. We have resolved therefore that we will examine this question fully and frankly.

President hopes that food ships will be declared free from interference in time of war thus removing the starvation of women and children from the weapons of warfare and reducing the necessity for naval arms for the protection of the avenues of food supplies and such a proposal would protect all vessels laden solely with food supplies in the same fashion as hospital ships are now protected."

Prime Minister asks for immediate observations.

If you have any observations, please address them direct to him, care of British Embassy, Washington.

Commonwealth of Australia 171, New Zealand 117, Union of South Africa 104. Message sent to Canada and Irish Free State also.

Prime Minister's Department.

Copy to His Excellency the Governor-General
9/10/1929

National Archives of Australia NAA: A981, UNI 173 PART 1

Pacific 14 PRIME MINISTER'S DEPARTMENT. SECRET

DECYPHER

DECODE OF CABLEGRAM.

FROM SECRETARY OF STATE FOR DOMINION AFFAIRS, LONDON TO PRIME MINISTER, CANBERRA

DATE RECEIVED 13th November, 1929 DATE SENT 12th November, 1929 8.25 p.m.

Circular B.175.

SECRET.

My telegram of the 9th November, Circular B.168. In connection with President Hoover's statement of yesterday as to the position of foodships in time of war, His Majesty's Governments in the Dominions will no doubt have observed the reference which the Prime Minister made in his speech at the Guildhall on Saturday to the question of the freedom of the seas in the following terms:

(See my code telegram immediately following).

(Remainder of message is in telegram of 12th November, 8.25p.m., copy attached.)

Prime Minister's Department.

Copy to His Excellency the Governor-General 13/11/29.

National Archives of Australia NAA: A981, UNI 173 PART 1

PRIME MINISTER'S DEPARTMENT.

Pacific 11. **DECODE OF CABLEGRAM.**

FROM SECRETARY OF STATE FOR DOMINION AFFAIRS, LONDON TO PRIME MINISTER, CANBERRA.

DATE RECEIVED 12th November, 1929 DATE SENT 12th November, 1929 8.25 p.m.

"It may be convenient if I assure you that a certain statement that appeared today that this most important question was to be raised at the Five Powers Conference has no basis of foundation whatever. No such question has been raised by any Government so far as I know. No such question has been raised in connection with the Five Powers Conference and I venture to say that it will not be raised at all."

(Above is concluding portion of telegram Circular B.175 of same date from Secretary of State for Dominion Affairs.)

Prime Minister's Department.

Copy to His Excellency the Governor-General
13/11/29.

National Archives of Australia NAA: A981, UNI 173 PART 1

NOT TO BE REMOVED FROM FILE.

File No.....

No. in File 4

EXTERNAL AFFAIRS.

SUBJECT :

U. S. A.

RELATIONS WITH GREAT BRITAIN.

PRIME MINISTER'S VISIT, 1929.

646.

Last Paper

1. Dominions Office telegram No.171 outlining subjects touched on during the interchange of views, Great Britain agreeing not to establish or alter military or naval stations in the Western Hemisphere and the U.S.A. ditto in the Eastern. It was also decided to examine the question of rights and immunities at sea fully and frankly, Hoover hoping that food-ships will be declared free from interference.
2. Copy of (1) to Defence 9/10/29.
3. Cable from Major Casey 8/10/29 - certain of H.M.G.in U.K. disturbed at the raising of the freedom of the seas issue: in any case, food-ships agreement inconsistent with Article 16 of the Covenant.
4. Defence Department have no observations on (1)
5. Cable from Major Casey 10/10/29 - statement in press omits certain portions of (1).
6. Dominions Office cable No.175 re text of statement to press.

"In view of the fact that the British Government sees importance of question raised re food ships in relation to whole difficult question of belligerent rights - Casey's cable 8/10/29 indicating action by Snowden - no necessity for direct representations to British Prime Minister.-S.M.B."

Action Complete

Index

Next Paper

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THIS DOCUMENT IS THE PROPERTY OF HIS BRITANNIC MAJESTY'S GOVERNMENT.

[A 286/285/45]

No. 1.

Mr. A. Henderson to Sir E. Howard (Washington).

(No. 56.)

Foreign Office, January 9, 1930.

Sir,

THE American Ambassador to-day called my attention to the attached circular of the Calcutta Electric Supply Corporation (Limited), relating to a meeting which is to be held on the 10th instant with a view to the approval of measures to secure that the control of the company should remain in the hands of British subjects, and in particular to the phrase in the circular to the effect that this was a precaution which had become of importance recently and had been impressed upon the company by the Government of Bengal. General Dawes said that, according to the information received from his Government, the president of the American Corporation interested had reported that he had been informed by the chairman of the Electrical Supply Company that the Indian Government was opposed to American investment in India.

General Dawes said that, in view of the meeting which was going to be held by the Calcutta Electric Supply Corporation to-morrow, he would be glad to be informed exactly how matters stood as regards the attitude of the Indian Administration. I told General Dawes that I would make immediate enquiries of the India Office and let him have a reply if that could be obtained.

I am, &c.

ARTHUR HENDERSON.

Enclosure in No. 1.

The Calcutta Electric Supply Corporation (Limited) to the Shareholders.

London, December 18, 1929.

Dear Sir or Madam,

THE Board of the Calcutta Electric Supply Corporation (Limited) are calling a special general meeting of the shareholders for the 10th January, 1930, in order to consider and, if duly approved, to pass certain alterations in the company's articles of association.

These alterations fall under two heads. The first and by far the more numerous class consists of changes which are rendered obligatory by the new Companies Act. In no respect do these changes alter the constitution or the practice of this country except in so far as the law now requires. The second set of alterations is proposed in order to secure that the control of the company shall remain in the hands of British subjects. This is a precaution which has become of importance recently, and has been pressed upon us by the Government of Bengal. The provisions drafted for the purpose have the effect of restricting the holdings of foreign shareholders to a maximum of 20 per cent. of the whole share capital, and are strictly in accordance with recent precedents in the case of certain well-known companies domiciled in Great Britain and operating abroad.

If you cannot attend the meeting in person, you are earnestly requested to support the directors by signing and sending me the enclosed form of proxy at once.

Yours faithfully,

IVOR C. THOMAS,

Secretary.

[13 i—1]

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28 JAN 1930

RECD JAN 31 1930

PRIME MINISTER'S DEPT JAN 31 1930

BRITISH EMBASSY,
WASHINGTON, D. C.,
December 6th, 1929

Sir,

I have the honour to transmit herewith, under instructions from His Majesty's Principal Secretary of State for Foreign Affairs, two copies of the text of the address delivered by the Right Honourable James Ramsay MacDonald to the United States Senate on October 7th last, together with the text of the introductory remarks of the Vice President of the United States.

I have the honour to be,
Sir,
Your Excellency's most obedient,
humble servant,

Esme Howard

Prime Minister of the Commonwealth of Australia,
Canberra,
Australia.

National Archives of Australia NAA: A981, UNI 173 PART 1

71ST CONGRESS } SENATE { DOCUMENT
1st Session } { No. 29

ADDRESS

OF

RIGHT HON. J. RAMSAY MacDONALD

PRIME MINISTER OF GREAT BRITAIN

DELIVERED BEFORE THE

UNITED STATES SENATE

OCTOBER 7, 1929

TOGETHER WITH

THE INTRODUCTORY REMARKS OF THE VICE PRESIDENT

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1929

National Archives of Australia NAA: A981, UNI 173 PART 1

SUBMITTED BY MR. FESS

IN THE SENATE OF THE UNITED STATES,
September 30 (calendar day, October 8), 1929.

Ordered, That the address of the Right Hon. J. Ramsay MacDonald, delivered before the Senate of the United States on October 7, 1929, together with the introductory remarks of the Vice President be printed as a Senate document.

Attest:

EDWIN P. THAYER, *Secretary.*

II

ADDRESS OF RIGHT HON. J. RAMSAY MACDONALD

The VICE PRESIDENT. Senators and guests of the Senate, it is indeed a great pleasure to welcome to the Senate the able leader of a great people. We hope, Mr. MacDonald, that your visit in our city may be enjoyed greatly by you and that your efforts may result in bringing about a settlement of questions which have given concern to the people of your country and of our country. I take great pleasure in introducing the Prime Minister of Great Britain. [Applause.]

Mr. MACDONALD. Mr. President and Senators, I can not say that these walls are unfamiliar to me. I have been here before; but when I sat in one of those galleries, having been brought here under the wing of the late Senator Hoar, destiny never whispered to me that one day, before I "cease from troubling," I should stand as I stand here and now facing you and receiving your good will and your honors.

I do not know what I can say, Mr. President; but you are overburdening me with your kindness and your good wishes. The only question I ask myself is, Why have I been so long in coming over?

There are two functions that the Prime Minister of Great Britain fills. In the first place, he is the leader of his party and he is the head of a party government. But there is a second function, far more important than that. He represents his nation. He leads not only his party but the House of Commons itself. In the second capacity, Mr. President, I have come here; and I have come here in the second capacity because deep down in my heart there is a conviction that nothing will ever remove the many misunderstandings, small but so deplorably effective, that have been growing up and existing between us which do not belong to the substance of things, but belong to the appearances of substance; and I have come, full of faith, to try to reduce misunderstandings to substance, because I know when that can be done the misunderstandings will be completely charmed away. [Applause.]

I have come in consequence of one great event that I believe will stand up like a monument in history. The event was the signing of the pact of peace in Paris—the pact of peace in the construction of which America played such a magnificent and such an honorable part. America united with France, Mr. Kellogg alongside of M. Briand, gave the world that renewed hope and renewed energy which is encouraging us to gird our loins with more determination than ever before and pursue the path of peace. [Applause.]

Where do I find the great difference that the signature of that pact has made? It is here: You signed it; we signed it; other nations signed it. When they put their names, or the names of their representatives, at the bottom of that pact, did they mean it to be merely

1

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an expression on paper, or did they mean it to be a guiding idea in policy? We mean it to be a guiding idea in policy. [Applause.]

Speakers in our country and speakers in your country innumerable have said that war between the United States and Great Britain is unthinkable. [Applause.] My friends—excuse the lapse, Senators; I saw in a paper the other day that an enthusiastic Senator had also forgotten how precisely to address a committee in the same way that I have done—what has happened, and what has made the great change in the prospects of peace, is that up to now a proclamation has never been made solemnly, with all the dignity, with all the authority, and with all the backing which can be given when two governments and the representatives of two governments make it, I think, Senators of the United States, that declaration can now be made. [Great applause.]

There can be no war; nay, more, it is absolutely impossible, if you and we do our duty in making the peace pact effective, that any section of our arms, whether on land, on sea, or in the air, can ever again come into hostile conflict. [Applause.]

Think upon that when we face many of our own problems—problems of jealousy, problems of fear, problems that the young and rising and successful generation put into the hearts of the old generation. They all disappear; and in virtue of the fact that they have disappeared we have met together and we have said, "What is all this bother about parity? Parity? Take it, without reserve, heaped up and flowing over!" That was the only condition under which competitive armaments could be stopped and we would create a public psychology which could pursue the fruitful and successful avenues of peaceful cooperation.

That is one of the results of this visit. Another result of the visit is that we have come to understand each other. Ah, Senators, as long as you conduct your negotiations by correspondence, over thousands of miles of sea, you will never understand each other at all. In these democratic days, when heart speaks to heart as deep speaks to deep and silence talks to silence, personality, personal contact, exchange of views by the lip, sitting at two sides of a fireplace, as it was my great privilege to do this week-end with your President—these things are to be as important as anything else in laying the foundation of an enduring peace all over the world. [Applause.]

I did not mean, really, to deliver you a speech. I am afraid that my remarks are rather developing into that. I really wanted to thank you—to thank you as the representative Senators of this great country and this wonderful people—for your kindness and for your hospitality. But I must say that in the building up of those ideas you and I, meeting together here to-day, must remember the tremendous contributions which have been made by other peoples. We are not out for any exclusive alliance. You would reject it. So should I; it is not for the benefit of either of us.

In the old days when two peoples used to talk together all the other peoples used to put their hands up to their ears and say, "What are they saying? They must be conspiring against us." That was the spirit of war, and that spirit must be extirpated. In these days when two nations talk together it ought to give hope and confidence to the other nations of the world [applause], especially when neither

of those nations—neither you nor we—will form any exclusive alliance directed against the existence or the interests of any other nation or group of nations on the face of the earth. [Applause.]

Our idea is the free, open, intellectually and spiritually attracted cooperation of friends. We are not a criminal conspiracy to protect each other against policemen. We are a union of cooperation, a body—I doubt if there is the exact word to express my meaning in our English language—a cooperation, at any rate, of nations coming together, discussing together, living the open life, in order that their exchange of views, their common action, sometimes their conflict of opinion—why not? Conflict of opinion is a cooperator in the cause of peace when sane and honest men express contrary opinions—in order that that sort of combination, that sort of cooperation—I do not like the word "combination"—that sort of cooperation, that sort of free, friendly relationship might be established not only between you and myself, not only between your country and my country, but between your country, my country, and all the other civilized and honest countries under the face of the sun. [Great applause.]

And we must pay our tribute—and I do it in a sentence—to two great men who have helped on this work: First of all, Monsieur Briand, that gay, genial, happy, humorous, eloquent man whose whole life has been devoted to the promotion of the cause of peace [applause]; and another, an old friend of mine, to praise whom, alas, at this moment is to lay a wreath upon his tomb, Gustav Stresemann.

Many a story could I tell you, many a picture could I paint to you of that quiet, steady, heroic man, standing surrounded by enmity, not only abroad but at home, determined to play a perfectly straight game, determined to carry into practice the proverb that "he who does not respect himself is respected by nobody else." I should think I might, here on the platform of the Senate, in this way, paying my tribute to my dead friend, regard it as laying a wreath on his tomb. [Applause.]

Thank you, thank you very much, indeed, for the hearty reception you have given me and the patient way in which you have listened to me. [Great applause, the Senators and guests of the Senate rising.]

The applause having subsided, the Vice President standing with the Premier in the area in front of the Secretary's desk, introduced to him the members of the Senate personally.

Prime Minister MacDonald and the guests of the Senate having retired from the Chamber and the period of the recess having expired, the Vice President (at 12 o'clock and 45 minutes p. m.), called the Senate to order.

○

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71ST CONGRESS } SENATE { DOCUMENT No. 29
1st Session

ADDRESS

OF

RIGHT HON. J. RAMSAY MacDONALD

PRIME MINISTER OF GREAT BRITAIN

DELIVERED BEFORE THE

UNITED STATES SENATE

OCTOBER 7, 1929

TOGETHER WITH

THE INTRODUCTORY REMARKS OF THE VICE PRESIDENT

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1929

National Archives of Australia NAA: A981, UNI 173 PART 1

Circulated to the Cabinet by direction of
The Secretary of State for Foreign Affairs

[This Document is the Property of His Britannic Majesty's Government.]

NORTH AMERICA. October 22, 1929.

~~CONFIDENTIAL~~. SECTION 2.

[A 7034/3895/45]

No. 1.

Sir E. Howard to Mr. A. Henderson.—(*Received October* 22.)

(No. 1865.)

Sir, *Washington, October* 10, 1929.

I HAVE the honour to transmit to you herewith copy of the joint statement by President Hoover and the Prime Minister on the latter's visit to Washington.

I have, &c.
(For the Ambassador),
T. A. SHONE.

Enclosure in No. 1.

Joint Statement by President Hoover and Mr. Ramsay MacDonald.

(Published in the morning Papers of October 10, 1929.)

THE visit of the British Prime Minister to President Hoover, which is now terminated, had as its chief purpose the making of personal contacts which will be fruitful in promoting friendly and frank relations between the two countries. Both the President and the Prime Minister are highly gratified by the keen interest which the people of both countries have taken in the meeting, and regard it as proof of the strong desire of both nations to come to closer understanding. The British Prime Minister has been particularly impressed and gratified by the warmth of his welcome and the flood of expressions of goodwill which have poured upon him.

At the moment of leaving Washington the following joint statement was issued:—

"During the last few days we have had an opportunity, in the informal talks in which we have engaged, not only to review the conversations on a naval agreement which have been carried on during this summer between us, but also to discuss some of the more important means by which the moral force of our countries can be exerted for peace.

"We have been guided by the double hope of settling our own differences on naval matters and so establishing unclouded goodwill, candour and confidence between us, and also of contributing something to the solution of the problem of peace in which all other nations are interested and which calls for their co-operation.

"In signing the Paris Peace Pact, fifty-six nations have declared that war shall not be used as an instrument of national policy. We have agreed that all disputes shall be settled by pacific means. Both our Governments resolve to accept the Peace Pact not only as a declaration of good intentions but as a positive obligation to direct national policy in accordance with its pledge.

"The part of each of our Governments in the promotion of world peace will be different, as one will never consent to become entangled in European diplomacy, and the other is resolved to pursue a policy of active co-operation with its European neighbours; but each of our Governments will direct its thoughts and influence towards securing and maintaining the peace of the world.

"Our conversations have been largely confined to the mutual relations of the two countries in the light of the situation created by the signing of the Peace Pact. Therefore, in a new and reinforced sense, the two Governments not only declare that war between them is unthinkable, but that distrusts and suspicions arising from doubts and fears which may have been justified before the Peace Pact must now cease to influence national policy. We approach old historical problems from a new angle and in a new atmosphere. On the assumption that war between us is banished, and that conflicts between our military or naval forces cannot take place, these problems have changed their meaning and

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character, and their solution, in ways satisfactory to both countries, has become possible.

"We have agreed that those questions should become the subject of active consideration between us. They involve important technical matters requiring detailed study. One of the hopeful results of the visit which is now terminating officially has been that our two Governments will begin conversations upon them following the same method as that which has been pursued during the summer in London.

"The exchange of views on naval reduction has brought the two nations so close to agreement that the obstacles in previous conferences arising out of Anglo-American disagreements seem now substantially removed. We have kept the nations which took part in the Washington Naval Conference of 1922 informed of the progress of our conversations, and we have now proposed to them that we should all meet together and try to come to a common agreement which would justify each in making substantial naval reductions. An agreement on naval armaments cannot be completed without the co-operation of other naval Powers, and both of us feel sure that, by the same free and candid discussion of needs which has characterised our conversations, such mutual understandings will be reached as will make naval agreement next January possible, and thus remove this serious obstacle to the progress of world disarmament.

"Between now and the meeting of the proposed conference in January our Governments will continue conversations with the other Powers concerned, in order to remove as many difficulties as possible before the official and formal negotiations open.

"In view of the security afforded by the Peace Pact, we have been able to end, we trust for ever, all competitive building between ourselves, with the risk of war and the waste of public money involved, by agreeing to a parity of fleets, category by category.

"Success at the coming conference will result in a large decrease in the naval equipment of the world, and, what is equally important, the reduction of prospective programmes of construction which would otherwise produce competitive building to an indefinite amount.

"We hope and believe that the steps we have taken will be warmly welcomed by the people whom we represent as a substantial contribution to the efforts universally made by all nations to gain security for peace—not by military organisation, but by peaceful means rooted in public opinion and enforced by a sense of justice in the civilised world."

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ANNEXURE B.

The Naval Board observe that any measure which tends to increase or diminish the power of the British Empire as a whole in any war is the concern of every one of its parts and have therefore considered both questions mentioned in the telegram referred to above.

It is noticed that the words "Great Britain will not hereafter establish any military or naval station in her possessions in the Western Hemisphere nor alter any such existing station in such a way as in either case to become a menace to the United States", do not necessarily imply that Great Britain undertakes never to improve or fortify the West Atlantic Bases, but only that she will not do so as a threat to the United States. If, however, at the present time the United States is only able to regard them as not being a menace to her because they are almost undefended and undeveloped, it is difficult to see how at any future time their development, though called for by a political situation unconnected with the United States, will not appear to her in the light of a menace.

Under the Washington Treaty, Great Britain undertook to maintain the status quo in respect of certain bases and possessions (notably Hong Kong) but these concessions were set off by those made by the other signatory powers. No quid pro quo is seen in the present proposals although worded as if to make it appear that each country had a larger number of bases in its respective hemisphere to be affected under this proposal and that equal concessions were being made by both sides. Further, the United States and Canada are both large and adjacent countries on the same North American Continent; the former proposes to retain the right to fortify and develop all its bases and to deprive the latter of the same clear right. No reciprocity is seen in this proposal. If the people of the United States are so sensitive as to see a menace in the development or fortification of Halifax, the Canadians would seem entitled to hold the same view about New York.

The Naval Board are of opinion that posterity should not be jeopardised by any undertaking which tends to a weakening of the potential power of the Empire without tangible concessions on the part of the United States. Experience has shown that concessions made in the past with the intangible object of improving Anglo-American relations have not in fact produced that result.

The Naval Board point out that under the Washington Treaty (Article 21) any Contracting Power which considers that the requirements of its National security in respect of naval defence have been materially affected by any change of circumstances may request amendment of the Treaty by mutual agreement. The Board suggest that if the Empire, notwithstanding the disadvantages, decides to agree to the United States request regarding the Atlantic bases, the agreement should contain a similar qualification to allow for changing circumstances and be on the following lines :-

The Contracting Parties declare that the bases and territories in their respective hemispheres as described are not and will not be used in any way as a threat to the other. They declare that they have no present intention of fortifying or developing such bases or territories for

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naval use, and if any future change of circumstances necessitates a change in policy in this respect they will keep each other fully informed of the alterations, improvements or fortifications which they propose to erect and of the circumstances which make them necessary.

The Naval Board observe that the United States has claimed a larger number of 10,000 ton 8" gun cruisers than the British Empire on the ground of lack of world wide bases compared with the position of the Empire in this respect. The United States is now desiring to maintain a greater number of large cruisers and reduce the number of British bases which made that number justifiable. Any firm limitation on the future use or development of British Bases will result in the requirements of the Empire of large cruisers of great radius of action being increased. At present a large proportion of the British cruisers are small ones which is justified by the world wide network of British Bases.

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522/401/108.

NAVAL DISARMAMENT.

The Secretary,
Department of Defence.

With reference to the telegram of 7th October (Pacific 16) from the Secretary of State for Dominion Affairs to the Prime Minister, I am directed to state that the Naval Board have fully considered its contents and desire to make the following observations for the consideration of the Commonwealth Government.

2. The telegram was despatched too late for any possibility of a reply being sent to reach Mr.Ramsay Macdonald in Washington by the time stated. It appears that this fact may have been realised by him as no statement such as was proposed in the telegram seems to have been issued at Washington. A press statement indicates that time is being taken to consult the Dominions and this seems likely to be true and in any case further telegrams on these lines may be expected.

Annexure 'B'

3. The Naval Board observe that any measure which tends to increase or diminish the power of the British Empire as a whole in any war is the concern of every one of its parts and have therefore considered both questions mentioned in the telegram referred to above.

4. It is noticed that the words "Great Britain will not hereafter establish any military or naval station in her possessions in the Western Hemisphere nor alter any such existing station in such a way as in either case to become a menace to the United States", do not necessarily imply that Great Britain undertakes never to improve or fortify the West Atlantic Bases, but only that she will not do so as a threat to the United States. If, however, at the present time the United States is only able to regard them as not being a menace to her because they are almost undefended and undeveloped, it is difficult to see how at any future time their development, though called for by a political situation unconnected with the United States, will not appear to her in the light of a menace.

5. Under the Washington Treaty, Great Britain undertook to maintain the status quo in respect of certain bases and possessions (notably Hong Kong) but these concessi were set off by those made by the other signatory powers. No quid pro quo is seen in the present proposals although worded as if to make it appear that each country had a large number of bases in its respective hemisphere to be affected under this proposal and that equal concessions were being made by both sides. Further, the United States and Canada are both large and adjacent countries on the same North American Continent; the former proposes to retain the righ to fortify and develop all its bases and to deprive the latter of the same clear right. No reciprocity is seen i this proposal. If the people of the United States are so sensitive as to see a menace in the development or fortifica of Halifax, the Canadians would seem entitled to hold the same view about New York.

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6. The Naval Board are of opinion that posterity should not be jeopardised by any undertaking which tends to a weakening of the potential power of the Empire without tangible concessions on the part of the United States. Experience has shown that concessions made in the past with the intangible object of improving Anglo-American relations have not in fact produced that result.

7. The Naval Board point out that under the Washington Treaty (Article 21) any Contracting Power which considers that the requirements of its National security in respect of naval defence have been materially affected by any change of circumstances may request amendment of the Treaty by mutual agreement. The Board suggest that if the Empire, nothwithstanding the disadvantages, decides to agree to the United States request regarding the Atlantic bases, the agreement should contain a similar qualification to allow for changing circumstances and be on the following lines :-

The Contracting Parties declare that the bases and territories in their respective hemispheres as described are not and will not be used in any way as a threat to the other. They declare that they have no present intention of fortifying or developing such bases or territories for naval use, and if any future change of circumstances necessitates a change in policy in this respect they will keep each other fully informed of the alterations, improvements or fortifications which they propose to erect and of the circumstances which make them necessary.

8. The Naval Board observe that the United States has claimed a larger number of 10,000 ton 8" gun cruisers than the British Empire on the ground of [redacted] lack of world wide bases compared with the position of the Empire in this respect. The United States is now desiring to maintain a greater number of large cruisers and reduce the number of British bases which made that number justifiable. Any firm limitation on the future use or development of British Bases will result in the requirements of the Empire of large cruisers of great radius of action being increased. At present a large proportion of the British cruisers are small ones which is justified by the world wide network of British Bases.

9. With regard to the proposed immunity for food ships in time of war, the Naval Board are of the opinion that although superficially this may appear to be of advantage to the Empire on account of the well known dependence of Great Britain on [redacted] supplies of food from overseas, any agreement on these lines at the present moment is most undesirable for the following reasons :-

10. The Empire is pre-eminently a maritime as opposed to a military power. Its chief weapon in time of war is therefore the economic pressure exerted by sea power. Any curtailment of this power by acceptance of the doctrines commonly known as the Freedom of the Seas is a grave weakening of the Empire's power to wage war when such has been forced upon it.

11. The United States is inconsistent in making this proposal since she herself when at war has always made the utmost use of the methods which she now denounces: e.g., in the American Civil War and in the late war. She now proposes the contrary doctrine believing that she can keep clear of European or other entanglements while desiring to gain all possible benefits as a Neutral in future w[illegible]

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12. The observation regarding starvation of women and children does not bear investigation. The reduction by starvation of a city by siege is a practice from time immemorial and no one is now proposing to abolish this military operation as barbarous. In modern war whole ppulations are engaged and it is no longer a matter between professional soldiers and sailors. It is a commonplace that each side endeavour to exert the utmost pressure on the other and starvation is not the most intolerable method as the country to which this is applied has time for reflection and alteration of its policy before the situation becomes extreme. It is illogical to propose that country A may bomb the civilian population (engaged in military production) of country B while the latter is not entitled to put a different form of pressure on the civilian population of its enemy. Further, it is for the country on which economic pressure is being exerted to decide which of its own nationals shall starve first, the women and children or its armies. Germany deprived the former to feed the latter.

13. The greatest danger in any agreement on these lines is seen in the fact that Great Britain and the United States alone of the possible signatories can be relied upon to abide by it. For war to take place at all one of the belligerents must already have broken one pledge (the Peace Pact). Can it possibly be expected that the same belligerent will hesitate to break another one when it appears advantageous to her to do so? If this agreement for the immunity of food ships be made, the only possible guarantee to the British Empire that it will be observed in time of war is a guarantee by the United States that they would regard any infringement whatever of this agreement as a casus belli; otherwise the British Empire will be throwing away a powerful factor in the economic weapon and getting no security whatever in exchange.

14. It is not known whether there is the slightest possibility of the United States consenting to such a guarantee but all indications appear to point to the desire of the United States to remain free of any entanglements whatever which might possibly bring her into a war on any grounds whatever.

15. As between the British Empire and the United States alone it may be possible to achieve political security based on moral factors and agreements and not on armaments, but it is clear that this does not hold good for the rest of the world.

16. The Naval Board are of the op inion that this question of foodships is of a most intricate and far reaching nature and that no preliminary agreement should be attempted until it has undergone a most careful examination by all nations and that the most stringent guarantees for its observance by all nations are necessary before it can be entertained by the British Empire.

(sd) Geo. L. Macandie
Secretary,
Naval Board

15/10/29.

Chief of Naval Staff
Submitted for approval
(sd) C.J. Pope
A.C.N.S. 15/10/29

Approved
J.O.S

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ANNEXURE "C".

BRITISH INTERESTS IN SOUTH AMERICA.

...

British Trade.

1926	Millions.	Percentage of British Trade.
Exports to South America	£55	8.93
Imports from South America	£102	8.62

Capital Invested.

1925

British	£1,140,000,000
U. S. A.	£188,000,000

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File No. ..... No. in File 3

EXTERNAL AFFAIRS.

SUBJECT:

U. S. A.

RELATIONS WITH GREAT BRITAIN

GENERAL.

545.

Last Paper

/2

1. Lon.1219 enclosing Davis' article on Anglo-American relations from "Foreign Affairs" April 1929.

This article is written in a different strain from most of those dealing with the subject and commences by stating the writer's opinion that it is doubtful whether fundamental relations between any nations in close and constant contact were ever more satisfactory than those at present existing between the B.E. and the United States. While there are certain conflicts of interests, there are also close affinities and important trade relationships, and it should be assumed that public opinion excludes from consideration all thought of war.

It then states the chief points of friction - (a) trade rivalry in Latin America; (b) the debt settlement; and (c) the Naval problem; and proceeds to deal with this last in detail. It states the British case for the maintenance of a Navy and the old idea of belligerent rights, and then proposes that the signatories to the Kellogg Pact must be expected to consult as to their common interests in the preservation of peace and concerted action to that end. This brings him to the question of public wars in which U.S.A. claims for rights of neutrals could hardly be maintained and private wars in which the B.E. should agree to the freedom of the seas. He ends by contending that the United States must accept the responsibilities arising from the Pact, and thus the probability of a collision will be reduced to vanishing point and the Naval problem will shrink to its true proportions.

Kg. 1.V.29

WH. 21.V.29

Action Complete | Index

Next Paper

H

2. F.O. Print N. America 12.III.29 Section 2 - despatch by Consul General San Francisco - so far from any widespread feeling against E.B. there has been, outside CONGRESS a gradual improvement

Kg. 23.V.29

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3. Press Report (US Daily) Ref FISH suggests sale of Brit. W.I. to USA
4 " " (Daily Tel) of local correspondent view of relations
5. F.O. Print (N. America 22.IV.29 Section 1) Amb views of President Hoover's probable policy. views he as regards EB. KO 3.VII.29

6. U.S. Press Reports on Labour Foreign Policy 5.V.29
7. Press Reports on proposal that PM should visit USA and some objections KO 24.VIII.29
8 " " suggestion of non fortification of B.W.I. bases (cf (3) above).

9. F.O. Print N.A 28.VI.29 Section 1 – advising newspaper comment on the proposed visit of the PM to USA
10 " " 2.VII.29 " 2 – " further " " " " visit of PM and containing a statement of some accuracy as to recent states of feeling in USA as regards EB KO 26.VIII.29 KO 21.VIII.29
11 " " 9.VII.29 " 2 – reporting changed time of USA press and then reporting to the common opposition to complicating the naval disarmament problem by mixing with it the question of "freedom of the seas" KO 23.IX.29

12. Extract from USA Press 7.X.29 – common blood and common language do not demand peace – it will be secured by confidence in each other's good will and a sincere desire for peace KO 18.XI.29
13 Press comment on New British Ambassador.
14 Press report of Sir Esme Howard's farewell speech. 3 APR 1930 KO
15 Press cutting re Book – "America conquers Britain" Denny 9 APR 1930 KO.
16 Despatch from WASHINGTON using assumption of duties by new Ambassador 28 APR 1930 KO
17 F.O. Print 29.I.30 reporting Gen SMUTS visit to USA.
18 USA Press cutting – Sir Ronald LINDSAY's reception 5 MAY 1930 KO
19 do – Lord Eustace Percy's address 15 MAY 1930 KO
20 LON 1723 transmitting F.O. note on renewal by Hearst press of inability to GB (but not Dominions) and renouncement of their scheme for cooperation between Eight speaking peoples. 11 JUN 1930
21 Extract from N.Y. American (Hearst) 1.V.30 11 JUL 1930 KO
22 Memo prepared for PM for Imperial conference 1930.

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SECRET

22

Imperial Conference, 1930
Notes on Foreign Relations
No. 2.

UNITED STATES OF AMERICA.

Relations with Great Britain.

In 1926 the Secretary of State said: "The maintenance of good relations with the U.S.A. is and always must be a cardinal aim of British policy, and on the whole it may be said that Great Britain has never been so generally popular with the American people as it is to-day." The years that have passed since 1926 have been marked at first if not by an actual decline of these good feelings at least by a check to an improvement. Then a gradual improvement began again until to-day relations are probably better than in 1926.

2. The chief cause for the check to increasingly good relations was the revival of the naval rivalry which had been largely quietened by the Washington Agreement of 1922. In 1927 the Conference on naval armaments which assembled in Geneva at the invitation of President Coolidge had to adjourn without results because it was impossible to reconcile the British and United States requirements in cruisers. In 1928 the Anglo-French naval compromise was most unpopular in the United States naval circles. But the successful conclusion of the London Naval Conference this year should end this cause of friction.

3. Other causes of slight friction were the controversy on the subject of neutral rights at sea, the allegation that Great Britain delayed unduly in accepting the Kellog Pact for the renunciation of war, and failure on the part of Great Britain to negotiate an arbitration treaty to replace the Root-Byrne treaty which expired in 1928. But the discussions on the first topic have ceased to create much interest now that the subject of naval armaments has been successfully dealt with; any grievance with regard to the second was obliterated by British enthusiasm for the Pact when the various members of the British Commonwealth did accept it; and interest in the last has died since the Pact was signed, and our acceptance of the Optional Clause points to an obvious course for the U.S.A. to take if they wish to have a basis for the peaceful settlement of judicial disputes with members of the British Commonwealth. In April, 1929, a prominent United States citizen could write that probably never had fundamental relations between two nations in close and constant contact ever been more satisfactory than those between U.S.A. and Great Britain: the statement would be even more true to-day.

Other Foreign Relations.

4. Relations between the U.S.A. and the Republics of Central and South America are becoming closer and closer. In the former case a situation closely approaching vassalage exists and in the case of the South American Republics United States influence and the power of the local United States representative usually far exceed that of any other nation. The United States commercial and financial interests now predominate in almost all if not all these countries, and most of them are so dependent financially on the U.S.A. that they are compelled to be submissive to United States wishes. The Republics in many instances

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keenly resent the position, and the U.S.A. have become so unpopular that the position has caused grave concern at Washington, and efforts, such as President Hoover's tour at the end of 1928, have been made to counteract the growing antagonism to them. But although the antagonism exists U.S.A. influence is steadily increasing and except in Canada and Mexico the whole eastern shore of the Pacific is under strong U.S.A. influence.

Internal Situation.

5. President Hoover became President in 1928 and will end his term in 1932. His election was hailed with enthusiasm, but as time has elapsed the enthusiasm has waned and his administration to-day is almost unpopular. This movement has been aided, amongst other causes, by the fact that the decade of unexampled prosperity seems to be coming to an end and the wave of world-wide depression has apparently reached the United States. Her extremely high tariff which has just been enacted will affect good relations with many foreign countries and possibly react on U.S.A. trade.

8th August, 1930.

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External Affairs

...ERICA ...IRST!

ENTERPRISE ACTUALITY

...American

...ER FOR THE AMERICAN PEOPLE

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1—Late News Financial, Radio Automobiles
2—Sports
3—Real Estate Want Ads
4—March of Events, Editorial
5—Society Drama
6—Magazine
7—Comics

NEW YORK, JUNE 1, 1930 SUNDAY Entered as second class matter. Post Office, New York N. Y. PRICE TEN CENTS

TOR IN AIR BATTLE!

An Anglo-American Understanding Is Only Possible on a Basis Of Absolute Equality

The accompanying statement by William Randolph Hearst is reprinted from the Southam newspapers of Canada, in which it was published yesterday. It was given by Mr. Hearst in an interview to Charles O. Smith, Washington correspondent of that group of Canadian newspapers.

Mr. Hearst was asked to state his opinions on the importance of maintaining understanding and good relations between the United States and the British Empire, and to express his views on how best to create and strengthen good will and co-operation in world leadership amongst the English-speaking peoples of the world.

Mr. Hearst's statement was published in whole or in part in the following papers:

The Citizen, Ottawa, Ontario; The Spectator, Hamilton, Ontario; The Tribune, Winnipeg, Manitoba; The Journal, Edmonton, Alberta; The Herald, Calgary, Alberta; The Province, Vancouver, British Columbia; Montreal Star, Montreal, Quebec; Toronto Star, Toronto, Ontario; Sydney Sun & Telegraph, Sydney, Australia; Melbourne Herald, Melbourne, Australia; Melbourne Pictorial, Melbourne, Australia; Morning Post, Times, Daily Telegraph and Daily Herald, of London, England, and the Manchester Guardian, of Manchester, England.

(MR. HEARST'S STATEMENT):

I HAVE long entertained the hope that a co-operative agreement could be worked out in a practical way between the English-speaking peoples of the world.

I think, however, that such an agreement can only be made possible on a basis of absolute equality of representation and influence between the British Empire and the United States of America.

It can only be made lasting and effective through a full appreciation of the desirability of such an agreement on the part of both nations and through a realization of the absolute necessity of utter frankness and fairness and mutual understanding in the prosecution of the plan.

Let me say, however, that at the present moment I am not very hopeful that any such understanding will ever be arrived at. The politicians of both nations are so busy making capital for themselves on all occasions that they seem to forget the secured through sincere and heartfelt co-operation.

I am not going to say that the unfortunate character of the proposed naval treaty is due entirely to the maneuvers of English statesmen to gain some trivial advantage.

It is due primarily to the sad lack of comprehension on the part of American statesmen of the kind of agreement that should be cultivated between the English-speaking peoples.

It is due primarily to the fact that our American statesmen cannot realize that a co-operative agreement could be made between peoples of the same language and literature, of the same ideals and objectives, of the same education, the same customs and largely the same blood, and cannot be easily made or so permanently made, even if it can be made at all, with people of different language, different literature, different education, different customs

RIVER VICTIM IS IDENTIFIED; RIPPER KILLS IN BROOKLYN

Mystery Girl Slain Because She Knew Who Killed Gangster Sweetheart, Police Say

Aged Widow Strangled and Slashed by Fiend; Bed Fired in Attempt to Hide Crime

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The auburn-haired girl was twenty-four-year old Anna Margaret Urbas.

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Besides the positive identification of the teeth by a New Jersey dentist, two men, secretly visiting the morgue under police escort, identified the body as that of Miss Urbas.

Moran and Miss Urbas, who came from Cleveland, lived together as "Mr. and Mrs. Rice" in

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Mr. Hearst was asked to state his opinions on the importance of maintaining understanding and good relations between the United States and the British Empire, and to express his views on how best to create and strengthen good will and co-operation in world leadership amongst the English-speaking peoples of the world.

treal Star, Montreal, Quebec; Toronto Star, Toronto, Ontario; Sydney Sun & Telegraph, Sydney, Australia; Melbourne Herald, Melbourne, Australia; Melbourne Pictorial, Melbourne, Australia; Morning Post, Times, Daily Telegraph and Daily Herald, of London, England, and the Manchester Guardian, of Manchester, England.

(MR. HEARST'S STATEMENT):

I HAVE long entertained the hope that a co-operative agreement could be worked out in a practical way between the English-speaking peoples of the world.

I think, however, that such an agreement can only be made possible on a basis of absolute equality of representation and influence between the British Empire and the United States of America.

It can only be made lasting and effective through a full appreciation of the desirability of such an agreement on the part of both nations and through a realization of the absolute necessity of utter frankness and fairness and mutual understanding in the prosecution of the plan.

Let me say, however, that at the present moment I am not very hopeful that any such understanding will ever be arrived at. The politicians of both nations are so busy making capital for themselves on all occasions that they seem to forget the greater importance of an achievement which would benefit not only their respective nations, but the human race throughout the world.

I am afraid there are the same sort of unwarrantable jealousies and antagonisms between the English-speaking peoples as there were between the peoples of ancient Greece—jealousies and antagonisms which prevented those peoples from uniting into one powerful group for their own benefit and for the benefit of the world.

Politicians take advantage of these jealousies and antagonisms and aggravate them instead of trying to eliminate them.

For instance, the present Naval Treaty negotiated at London and now under consideration at Washington will probably do more to prevent a genuine agreement between English-speaking peoples than anything that has occurred in recent years.

The Right Honorable Winston Churchill is one of the English statesmen who has the vision to appreciate the value of an Anglo-American understanding.

No treaty or agreement can possibly advance an Anglo-American understanding if either party to the agreement tries to gain some petty advantage over the other party. And obviously the petty advantage is of no actual benefit to either nation if it merely prevents the obtaining of the larger advantage that could be secured through sincere and heartfelt co-operation.

I am not going to say that the unfortunate character of the proposed naval treaty is due entirely to the maneuvers of English statesmen to gain some trivial advantage.

It is due primarily to the sad lack of comprehension on the part of American statesmen of the kind of agreement that should be cultivated between the English-speaking peoples.

It is due primarily to the fact that our American statesmen cannot realize that a co-operative agreement could be made between peoples of the same language and literature, of the same ideals and objectives, of the same education, the same customs and largely the same blood, and cannot be easily made or so permanently made, even if it can be made at all, with people of different language, different literature, different education, different customs and to a degree, different racial characteristics.

Certain kinds of liquids will mix and others will not. Certain kinds of metals will weld and others will weld only with difficulty and instability.

Certain peoples can co-operate naturally, happily and harmoniously and on a basis of permanent principle and policy. Others cannot.

To my mind, entrance into the League of Nations would be a suicidal policy for the United States, while an agreement with the British Empire would be a natural policy, which would immediately benefit the two nations and have an ultimate beneficent effect upon all other nations.

In the League of Nations the United States would be a minority member in a combination, the majority of whose members would be entirely out of harmony and sympathy with the policies and principles of our nation, while in an agreement with the British Empire the United States would be on an equal basis with a nation which is in the main in sympathy and harmony with our policies and principles.

If the general idea of the proposition outlined above is sound, and if we can ever hope to have it unselfishly and intelligently considered by the politicians of both nations, the question then arises as to how

Continued on Page 2, Column 2.

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Moran and Miss Urbas, who came from Cleveland, lived together as "Mr. and Mrs. Rice" in Brielle, N. J., Sebold declared. She also was known as Mary Rogers. Both Moran and Miss Urbas went to the dentist frequently from April to August, 1929.

TAKEN FOR RIDE.

Then the visits stopped. The reason was—although the dentist did not know it then—that several men had called for Moran and had taken him away in an automobile. Moran's bullet-riddled body was found in a blazing sedan on the Newark city dumps last August 9.

The girl vanished. The identity of the cremated gangster remained a mystery until last Winter, when the dentist identified Moran through dental work.

But when Moran's identity became know, she disappeared from

Continued on Page 3, Column 3.

The Result of Confidence . . .

The New York American is gaining steadily in Real Estate Want Ad lineage. And *the American is the only New York morning paper to gain* . . . all others are losing.

During May, the American *gained* over 6,400 lines . . . all others in the field *lost* from 8,000 lines to 12,200 lines.

Results determine the value of an advertising medium. The American produces results as is shown by the many testimonials from advertisers who have sold or rented their property through

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VICTORIA 9250

OFFICE OF THE HIGH COMMISSIONER
FOR THE
COMMONWEALTH OF AUSTRALIA.

DEPARTMENT OF EXTERNAL AFFAIRS,
2. WHITEHALL GARDENS,
LONDON, S.W.1.

SECRET

8th May, 1930.
(Due to arrive Canberra 9.6.30)

LON. 1723.

Dear Sir,

THE HEARST PRESS AND THE EMPIRE.

The Foreign Office circulate the following note dated May 2nd:-

"The campaign which has been conducted by Mr. William Randolph Hearst for several weeks past through his chain of newspapers against the London Naval Conference and its achievements appears to have reached its climax on the 27th April with the publication of an open letter to the Prime Minister in which Mr. MacDonald was accused of all manner of diplomatic trickery, and in which the London Naval Treaty was described as a "mongrel and emasculated" instrument, definitely not embodying Anglo-American naval parity and depriving the United States of the right to build the type of ships they need the most.

While space does not permit of any extensive summary of Mr. Hearst's fantastic allegations, it is of interest to record that he took the opportunity definitely to abandon his scheme for "co-operation" between the English-speaking peoples, which has formed the subject of periodical editorials in his newspapers during the last three or four years. On this point Mr. Hearst wrote as follows:-

'The Hearst newspapers have utterly lost faith in the sincerity or perspicacity of English statesmen, and until England, either through revelation, education or bitter experience, can come to have the same broadmindedness, foresight and enlightened sense of self-interest as the more progressive Dominions, the Hearst newspapers withdraw from their list of editorial objectives the plan of co-operative agreement with England, and substitute the wiser plan of Washington - peace and amity with all nations; entangling alliances with none'.

It will be observed that Mr. Hearst, while renouncing Great Britain and all her works, has taken

The Rt. Hon. J. H. Scullin, M.P.,
Prime Minister of the Commonwealth,
CANBERRA.

11 JUN 1930

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care to pay lip service to the ideal of co-operation between the United States and the self-governing Dominions. In this connection it may be stated that, when he originally launched his scheme for co-operation between English-speaking peoples, it was strongly suspected in this office that Mr. Hearst was tempted to differentiate between the Dominions and this country, and that the real objective of the scheme was to propagate the notion that the United States should seek to gather the Dominions within their orbit, leaving Great Britain out in the cold. In a word, Mr. Hearst's present antics confirm our appreciation that he must be regarded as a rather ludicrous but none the less implacable enemy of this country".

I am,
Yours very truly,

R G Casey

ORIGINAL
TURKEY MILL
KENT

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EXTERNAL AFFAIRS.

"New York Times" March 29th, 1930.

USA 19

REFERRED FOR INFORMATION FROM THE OFFICE OF THE COMMISSIONER GENERAL FOR AUSTRALIA BROADWAY, NEW YORK.

SAYS WORLD NEEDS A NEW DIPLOMACY

Lord Eustace Percy Tells Yale Conference United States and England Might Lead Way.

FEW PROBLEMS BETWEEN US

Naval Rivalry More Imaginary Than Real, He Asserts—Unofficial Parleys Held Effective.

From a Staff Correspondent of The New York Times.

NEW HAVEN, Conn., March 28.—The world needs a new technique for handling the problems arising between nations, it was declared tonight by Lord Eustace Percy, British statesman and author, at the first session of the first annual Yale Conference on International Relations.

This year's conference is devoted to Anglo-American relations, and Lord Eustace touched on the various points of friction between the wto countries, concluding with the suggestion:

"I wonder whether the United States and the British Empire, two peoples who have shown such amazing power of political invention, cannot lead the way to a more satisfactory method of dealing with international affairs."

Lord Eustace found that the differences between the two countries were more of temperament than actuality.

"The foreign policies o fthe British Empire and the United States touch at few points," he said. "Even their commercial relations give rise, on the whole, to fewer serious problems than is usual between nations in these days when all parts of the civilized world are becoming ever more economically dependent."

Concern Over the League Ended.

The failure of the United States to enter the League of Nations, which once caused many Englishmen to feel that the United States had "let them down," no longer causes concern in England, said Lord Eustace.

"It has become generally recognized," he asserted, "that official participation by the United States in the work of the League would, in existing circumstances, be of little practical value, except in regard to one or two points like naval disarmament, just because American interests and politics are, for the most part, so remote from contact with those of Europe.

"In fact the present relations between the United States and the League are admirably suited to the practical needs of both Euroe and America. The United States Government participates officially in one or two activities of the League, such as disarmament, where American interests are directly involved, and prominent Americans, individually and unofficially, can give their services as unofficial advisers. No British statesman wants more from the United States than this.

"In short," Lord Eustace declared, "the idea of American adhesion to the covenant is now regarded by all sections of Britishs opinion as being outside practical politics, and, indeed, as being almost positively undesirable, because it would be unnatural."

Debt Settlement Feeling Fades.

Similarly, the speaker asserted that the British debt settlement, which once aroused so much acrimony, had faded out.

"If the two governments were to agree tomorrow," he said, "that the transfer of such large sums across the exchanges is economically undesirable and were to modify the whole settlement, the change might be of mutual benefit, but it would, I think, arouse very little interest in England, except among financial experts."

Even the supposed naval rivalry between the United States is more imaginary than real, the speaker found.

"The interesting thing about the naval controversy is that from the British point of view it has never been, in substance, a controversy with America at all," he asserted. "In England we have always excluded the American fleet from consideration when determining our naval policy."

The American fleet, he explained, has interested the British only indirectly, as it sets a standard for the fleets of other nations. Thus, he said, the American fleet, by building a new type of ship such as the 10,000-ton cruiser following the Washington conference of 1921, could set the admiralties of the world off on a new construction policy. Under that agreement other nations could build up to three-fifths of the cruiser strength of the United States. It was only after other powers than the United States began to plan such cruisers that the British Admiralty took up this type as a precautionary measure.

"It was wholly immaterial to Great Britain," Lord Eustace declared, "whether the American fleet contained twenty or twenty-five or thirty of these vessels. It was very material, however, whether the strength of the American fleet gave other nations a right, or an inducement, to build twelve or fifteen or eighteen of these vessels.

Parity Held a General Problem.

"From the beginning, Great Britain found no difficulty in recognizing the principle of parity between the British and American fleets, but she felt considerable hesitation about embodying that principle in a general international agreement which would preclude her from maintaining more than a limited preponderance over the fleets of other nations. In short, the problem is a general international one, but this general international problem has become focused, as it were, in an Anglo-American debate."

The real reason that Anglo-American relations assume such importance in the thoughts of English-speaking peoples, said Lord Eustace, lies in the fact that Americans instinctively turn to Great Britain as a mirror in which they can study international relations with the least distortion.

Then there is the difference in modes of diplomacy.

"The United States, as a world power, is rather like a business or professional man taking up politics," the speaker said. "Such a man, if he is any good at all, is impatient and contemptuous of the delays, the unrealities, the apparent insincerities of political life. The United States has entered world politics with something of this impatience and distaste. 'Shirt-sleeve diplomacy' was her watchword and from the first she has found that it is more difficult to get an English diplomat to take off his coat than a French or a German one."

Weighs Schools of Diplomacy.

Lord Eustace weighed the advantages and disadvantages of the old and the new diplomacy, and suggested a possible solution.

"It would probably lie," he said, "in giving increasing government support to unofficial bodies, such as those responsible for recent Pacific conferences.

"The practical problem," he asserted, "is to devise means by which, after the international lawyers or the technical experts, or the research students have done their preliminary work in defining any given international issue, the political element can be gradually and judiciously introduced into the further study of that issue, so as to insure that the alternative solution eventually suggested—after, it may be, years of patient preparation—shall be such as will offer a real prospect of reconciling divergent political views and conflicting political interests.

"It is rather the fashion to lament the prominent part that the political discussions play in the relations between Britain and America. I confess that my experience has been, on the contrary, that Englishmen and Americans are never nearer to each other, never find more common ground, than when they are engaged in a responsible discussion of political issues."

Lord Eustace's address was delivered in Sprague Hall at the university before about 100 students of international affairs, as well as the general public. President James Rowland Angell of Yale University, honorary chairman of the conference, presided.

Lord Eustace's address was to set the keynote of the conference, and it will be discussed at round-table conferences tomorrow.

Tomorrow's speakers include Walter Lippmann, editor of The New York World; Professor Edwin F. Gay of Harvard, Professor Charles K. Webster of the University of Wales and Lord Eustace.

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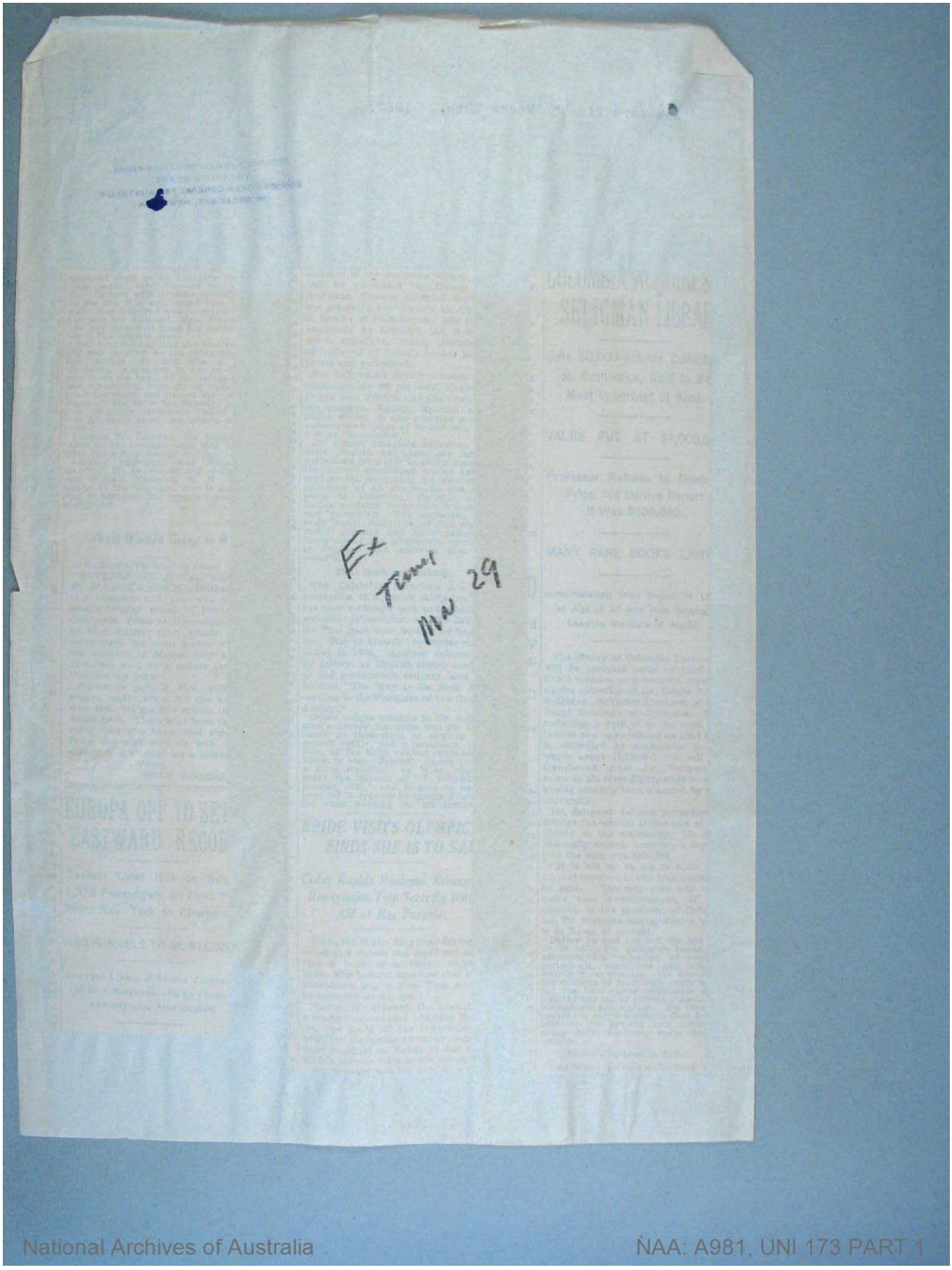

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COMMISSIONER GENERAL FOR AUSTRALIA
26 BROADWAY, NEW YORK

EXTERNAL AFFAIRS,

"THE NEW YORK TIMES," 25th March, 1930.

HOOVER WELCOMES NEW BRITISH ENVOY

Sir Ronald Lindsay Brings Special Good-Will Message From King George.

STRESSES PEACE EFFORTS

Ambassador Expresses the Hope of His Government for Success of London Conference.

Special to The New York Times.

WASHINGTON, March 24.—Sir Ronald Lindsay presented his credentials and a special message of good-will from King George to President Hoover at the White House this afternoon. The new British Ambassador emphasized the desire of his government for close relations with the United States and expressed hope for the success of the London naval conference.

"It is the hope of my government," he said in mentioning the conference, "that it will result in an agreement satisfactory to all its participants and marking a long step forward along the path to permanent peace."

In reply President Hoover reciprocated the hope for "the closest and most friendly relations between the two nations," but made no mention of the London conference.

Text of Ambassador's Address.

Sir Ronald spoke as follows:

"Mr. President:

"In handing you today the royal letter accrediting me his Majesty's Ambassador to the United States, I am instructed by his Majesty to convey to you his friendly greetings and to express to you his earnest hope for the happiness and prosperity of the United States under your administration.

"It is the earnest desire of his Majesty's Government that relations of the utmost cordiality and a spirit of close cooperation shall prevail between the American and British peoples. Following the example set by my distinguished predecessor, Sir Esme Howard, and in accordance with my instructions, I shall do my utmost to draw still closer the ties which so happily unite the two countries and I trust that in this honorable task I may receive your support, Mr. President, and that of your administration.

"The principal effort of diplomacy today is directed toward the noble task of making impossible any future outbreak of war. What for centuries has been the dream of poets and idealists has come to be regarded by practical men as a possibility of practical politics. In this task the cooperation of all governments is necessary; but no cooperation is more important and none more completely assured than that which so happily subsists between the government of the United States and that of the United Kingdom. The naval disarmament conference now sitting in London is a part of this inspiring effort and it is the hope of my government that it will result in an agreement satisfactory to all its participants and marking a long step forward along the path to permanent peace.

"In conclusion I venture to say that it affords me keen personal pleasure to return to America, where I have spent happy years in the past, and that as his Majesty's Ambassador I shall spare no effort to promote cordiality in the relations between the country to which I belong and that with which I have so many personal ties."

Hoover Expresses Gratification.

President Hoover replied as follows:

"Mr. Ambassador:

"It is a source of unusual gratification to receive you as his Britannic Majesty's Ambassador and to acknowledge his Majesty's kind and friendly wishes on my behalf and on that of the American people. I cordially reciprocate your Sovereign's good wishes and I express my earnest hope that the British people may long continue to benefit from the wise and patriotic labors of his Majesty for their welfare.

"It is the established policy of the United States, as it is the sincere purpose of the American people, to promote the closest and most friendly relations between the two nations.

"Your predecessor, Sir Esme Howard, has won a peculiar place in the hearts of the Americans by his earnest labors to further the cooperation between our peoples in the cause of world peace. It is my pleasure to anticipate in your person, Mr. Ambassador, a worthy successor in the cause which all right-thinking Britons and Americans have at heart.

"I take pleasure, Mr. Ambassador, in welcoming you back to the United States and in expressing the hope that your stay in this country may be long and happy."

5 MAY 1930

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17

NORTH AMERICA. January 29, 1930.

CONFIDENTIAL. SECTION 2.

[A 804/595/45] No. 1.

Sir E. Howard to Mr. A. Henderson.—(Received January 29.)

(No. 98.)

Sir, *Washington, January 17, 1930.*

WITH reference to my despatch No. 61 of the 10th instant, regarding the visit of General Smuts to the United States, I have the honour to report that on the 9th instant General Smuts addressed a meeting arranged by the "Civic Forum" in the New York Town Hall on the subject of the native problem in South Africa.

2. While recognising that the situation of the negro in America was a peculiar one, in that he had lost his racial characteristics, General Smuts stated that in Africa the development of the negro race should proceed along its own historically socialistic lines, and that attempts to replace the tribal system by a European one would only result in "bolshevising the negro" and would become as disastrous as attempts to enslave him.

3. At the beginning of his address General Smuts was unfortunate enough to refer to the negro as being, "next to the ass, the most patient of all animals." When his address was over, Dr. Robert Moton, principal of the (Negro) Tuskegee Institute, who occupied the place of honour next to him on the platform, arose and declared that those words had "cut like a two-edged sword through the heart of every negro in the audience." General Smuts's subsequent explanation that he had used the words "in a spirit of admiration," and that white people would be much happier were they to learn patience from the negroes, does not seem to have allayed the resentment aroused by these words in the minds of the educated negro leaders of the United States. Indeed, they have lost no time in protesting against the whole tenor of his views on the relations between the white and black races, which he repeated at a luncheon given by the Foreign Policy Association in New York on the 10th instant, when he characterised the negroes of Africa as "child peoples," and once more voiced a warning against forcing white civilisation upon them. One of the strongest protests came from Mr. William Pickens, secretary of the National Association for the Advancement of Coloured People, who stated that when General Smuts spoke on the League of Nations he spoke as a man of the world, but that when he spoke of the negro he did so as a man of South Africa. Though he represented the best in the South African social system, said Mr. Pickens, that system stood for the exploitation of the black man by the white, and General Smuts, having been born and nurtured in it, could not rise above it.

4. On the 11th instant General Smuts received the honorary degree of doctor of laws from Columbia University, and departed shortly thereafter for Cincinnati, when he spoke at a public meeting. No record of his remarks on that occasion has reached His Majesty's Embassy. On the 13th instant he arrived in Washington, where, after lunching at the Capitol, he was welcomed by the Vice-President on the floor of the Senate, which went into a five minutes' recess in his honour. He was also received by the Foreign Relations Committee. On the morning of the 14th instant General Smuts laid a wreath on the tomb of President Wilson. At noon, accompanied by the South African Minister, he visited the President, who greeted him as an acquaintance of long standing. I was told by Mr. Philip Kerr, who accompanies him, that General Smuts had, in speaking to the President, insisted with great vigour on the necessity of the London Naval Disarmament Conference reaching agreement on a large measure of reduction all along the line, without which the cause of peace and disarmament would suffer a severe set-back. Subsequently, he attended a luncheon given by the South African Minister at the Metropolitan Club, to which, besides myself, the counsellor of His Majesty's Embassy, and the Canadian and Irish Free State Ministers, Mr. Louw had invited the Netherlands Minister, the Secretaries of Agriculture and Commerce, General Pershing, representatives of the House and Senate Foreign Relations Committees, and two prominent Washington journalists. Mr. Louw made a short speech, referring specially to General Smuts's achievements in the Boer war for the establishment of Boer independence. General Smuts, in replying, spoke of the generosity of the British Government, which so soon after the war had given South

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Africa complete self-government, and so paved the way for the British Commonwealth of Nations, which he believed would endure for longer than Empires founded on force. His speech clearly interested the Senators and others at the luncheon. In the afternoon General Smuts visited the House of Representatives and was presented to members by the Speaker, while in the evening he addressed the Fifth Annual Conference on the Cause and Cure of War (arranged by women's organisations representing, it is claimed, one-fifth of the adult women of the United States) on "Ten Years' March toward Peace."

5. On the 15th instant General Smuts visited Mount Vernon, and thereafter lunched with the President, his fellow-guests being Mr. Louw, the Secretaries of War and Commerce, the Acting Secretary of State, the Under-Secretary of the Treasury, and Generals Pershing and Summerall. In the afternoon he discussed the present status of the negro in the United States at the (Negro) Howard University with members of the university faculty and leaders of the coloured race in Washington. This conference was arranged by Dr. Phelps Stokes, president of the fund bearing that name, which is devoted to the furtherance of research on negro education. In the evening General Smuts dined at His Majesty's Embassy, and afterwards attended a reception which I gave in his honour. On the 16th instant he left by an early train, with the intention of stopping for brief periods at Baltimore (where he is to be awarded the honorary degree of Doctor of Laws at Johns Hopkins University) and Philadelphia (where he is to deliver an address) on his way to New York, whence he will sail for England.

6. A leading article published in the "Washington Post" on the 13th instant, demanding that the Caraway Lobby Committee investigate the source of the funds with which the cost of General Smuts's "propagandist" tour were defrayed, and implying that the source was foreign, has called forth an emphatic denial of this implication from Mr. George W. Wickersham, chairman of the Committee on the Celebration of the Tenth Anniversary of the League of Nations, which arranged General Smuts's tour. In a letter to Senator Caraway, Mr. Wickersham gives the names of thirty-two American organisations which formed the committee, and states that General Smuts's expenses were paid partly by some of these organisations and partly by local committees and public officials in the cities which he visited. "Not one cent has been contributed from any foreign source," Mr. Wickersham declared.

7. There has also been some criticism, as was to be expected, from such stalwart anti-Leaguers as the Chicago "Tribune," the "New York Herald-Tribune" and the Hearst press. All things considered, however, General Smuts has been allowed to speak freely in praise of the League, and yet be honoured by the President and the Senate in a way that would have been impossible only a few years ago. He made a most favourable impression on all who came personally into contact with him.

8. A copy of this despatch is being forwarded to the High Commissioner for the United Kingdom in Canada.

I have, &c.
ESME HOWARD.

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23 APR 1930

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BRITISH EMBASSY,
WASHINGTON, D.C.
20th March, 1930

Sir,

I have the honour to inform you that I arrived in Washington on the 19th instant and that I have assumed the duties of His Majesty's Ambassador to the United States.

I have the honour to be,
Sir,
Your most obedient
humble servant,

R. C. Lindsay

The Prime Minister of the Commonwealth of Australia
Canberra,
Australia.

16

28 APR 1930

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"S. M. Herald"

MAR 28 1930

ECONOMIC WARFARE.

Britain and America.

(FROM OUR SPECIAL CORRESPONDENT.)

I.

LONDON, Feb. 13.

To Ludwell Denny, an American journalist of high repute, well-known in London as a special correspondent, has fallen the task, in his opinion, of tearing away a veil of misunderstanding, untruths, and half-truths hiding the true relationship between Britain and the United States. He has chosen to do so by writing a book, "America Conquers Britain," which was published here this week while its author was attending the Naval Conference as a newspaper observer. His work will not be a popular one in Britain or in any part of the Empire, though people in the dominions will probably more readily appreciate its frankness than Britons themselves. Many Americans themselves will resent it.

In many respects Mr. Denny is blatantly pro-American, rabidly anti-British. Yet he is painfully true in many of his arguments, statements, and conclusions, and he must be given credit for great courage in saying what he has. If we cannot swallow all his theories, or be persuaded by all his arguements, there is much sound reason and sounder criticism which must make British people the world over pause and think.

"America Conquers Britain" might well prove a spur to prick the Empire's flank. It is a record, from Mr. Denny's American point of view, of a long economic struggle for foreign markets and financial supremacy. Its author believes that the best way to prevent what is now but a trade war from culminating in armed conflict, as has so often happened before, is to expose the truth of the situation, so that the two nations can go forward with their eyes open. He gives a detailed study of the Anglo-American struggle for economic supremacy lucidly, even if it is with more than a hint of exaggeration and sensation. It startles the reader into a realisation of what is actually happening in the world to-day.

Mr. Denny castigates the theory that war is unthinkable as cant and humbug. He admits the British and American people do not want to fight, but, arguing that war does not begin on the day armed hostility starts, believes that governments can so hide or colour facts as to turn pacifist populations into war-mad mobs. He thinks that the approach to Anglo-American relations as a family matter is fallacious. Only 37 per cent. of the American stock is British, and though the Anglo-Saxon minority rules the United States politically, intellectually, and economically, it is not as friendly to Britain as some professional utterances might indicate. "Americans," says Mr. Denny, "are more familiar with the faults of British policy than with its virtues. Doubtless that is one reason they love Britain so little. Any American Government propaganda agent worth his salt could in a crisis 'sell' the idea 'to make the world safe for democracy' by fighting Britain."

THE ECONOMIC CONFLICT.

Mr. Denny has marshalled an amazing amount of opinions by politicians, publicists, and others in support of his contention of deep-seated suspicion between the two countries. He points out that Britain must increase her exports to survive, and she can do so only by "raiding" the markets in which the United States disposes of its 10 per cent. industrial production surplus, and which were chiefly captured from the British. To his way of thinking, there are two popular attitudes toward the fact of Anglo-American economic conflict, and the further fact that usually such rivalry has resulted in war. One is that of bland denial of the facts without proof or argument, and the other is silence. He instances the British war-debt as an instance, contending that Britons would not feel so bitter towards the American "Shylock" if they understood the situation governing American policy, while Americans would feel kinder towards Britain if it had been fully explained to all of them that Britain was the first nation to fund its debt, and the only one to do it voluntarily. He gives as an example of mischievous handling of Anglo-American affairs the successful fight led by Mr. Hoover when Secretary for Commerce against the British rubber "monopoly."

Mr. Denny believes that most peace movements in Britain and the United States rely almost exclusively on safeguards other than an understanding and settlement of basic economic conflicts, and they ignore or deliberately gloss over those realities. He is sceptical concerning arrangements like the Washington Treaty and the Kellogg Pact, of which the peoples of both countries had been led to expect too much by well-meaning though over-anxious statesmen. "That applies," Mr. Denny adds, "to the 1929-30 naval negotiations, too, and to the prospective treaty. In the midst of the Hoover-MacDonald conversations it was officially stated that all friction had been removed. Why exaggerate? There was so much friction over war debts, the subject could not be mentioned. There was so much friction over the freedom of the seas dispute, they were afraid to put it on the agenda lest it break up the Naval Conference. . . . There is danger of eventual war. There is a fierce struggle for foreign markets, raw material, financial supremacy. But that struggle is not the gravest danger which is the people's ignorance."

WAR'S EFFECT ON BRITAIN.

Regarding the economic warfare now in progress between the two countries, Mr. Denny says that this has not been caused by popular misunderstandings, capitalist machinations, or imperialistic governmental policies, but is the natural and inevitable result of economic conditions obtaining in both countries and the rest of the world. In the 19th century Britain was able by superior skill and daring to create from her limited resources and physical isolation what approximated world-hegemony. She exacted tribute from the world and put her profits back into world investments and into her navy. But even before the war she was losing her dominant position. The transformation of Europe from an agricultural to an industrial civilisation, the development of political imperialism by other countries, the appearance of petroleum and hydro-electricity as bases of industrial power—these were the chief cause of Britain's lost ground. Coal, her great economic asset of the 19th century, became a burden in the 20th. The natural result of the war was to speed the process by which she was going down the scale and others going up. It is the world, not the once-dominant Britain, which has changed.

"Britain cannot change—not very much at least—to meet the changed world situation," says Mr. Denny. "Therefore she is ceasing gradually to be the world's manufacturer, merchant, and banker. She is ceasing to be mistress of the seas by which she enforced her old prosperity. The world does not need her as of old. So the world will not suffer her as of old. Even her territorial Empire tends to break up. To retain the Empire she must remould it in a form dictated by its once voiceless members. Her troubles are internal; they may prove vital."

"MOST HATED NATION."

Mr. Denny strives to prove—without completely convincing one—that the net effect of the war to the United States was also loss. It left America more nationalistic, more distrustful of international treaties and the like—left it in the exposed and unenviable position of the most hated nation in the world. It is in a better position than Britain because before the war its relative position in world trade trended upwards, while hers trended downward. Post-war obstacles like tariffs and other trade barriers have been surmounted by exceptional American effort and skill in reorganising home industries and cre-ing foreign markets. Superior resources, favoured geographical position, and material skill explain the United States' great strength. Conditions favour increase of that strength. American industrial efficiency is based on utilisation of electric power, which is four times as large as Britain's. America is far ahead of Britain in industrial research and mergers, its home market, purchasing power, output, and docility of individual workers, financial superiority, freedom from taxation, and evenness of wealth distribution. Of these factors, Mr. Denny gives high place to the "relatively docile temper of American labour which is one of the chief assets of American capital . . . Prosperity has converted a vast majority of the workers to the efficacy, even the nobility, of the capitalist system as it operates in America."

EMPIRE MIGRATION.

Regarding migration to Australia, Mr Denny says: "Opposition to such British immigration is open in Australia. In 1929 the Australian Workers' Union, the strongest labour organisation there, sent a delegation to the British Isles to warn British labour not to migrate to Australia, where unemployment existed. The British Economic Mission reported in the same year that Australia was not then a suitable place for emigrants. Official statistics show that in the period 1923-27 Australian unemployment ranged from about seven to nine per cent. of population. In that period there was a net immigration increase of 40,000, which most authorities agree must be reduced. Although Australian sentiment is coloured by fear of an alleged Yellow Peril, and is thus theoretically sympathetic with British immigration to preserve the British character of population, economic exigencies are such that Australia cannot for many years to come serve as an outlet for excess British industrial population. Meanwhile the British proportion of the Australian population is being diluted. It fell from 84.4 per cent. in 1925 to 75.5 per cent. in 1927, with compensating gains by other Europeans."

Australians doubtless will wonder whence Mr. Denny obtained his percentages of British stock in Australia! Nevertheless that error does not destroy the value and importance of his views.

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THE NEW YORK TIMES. FRIDAY, FEBRUARY 21, 1930.

Howard Finds No Basis for Anglo-American Clash

The text of Sir Esme Howard's address last night before the Pilgrims at the Plaza follows:

I am profoundly touched and greatly flattered by the wish of the Pilgrims of New York to extend to me this final act of American hospitality before I leave the shores of the United States, just six years after I landed here as Ambassador. To welcome an arriving Ambassador is natural for there is a certain legitimate curiosity to see what he is like, especially if he is something of an unknown quantity as most career diplomats ought to be. The Pilgrims then must, I imagine, feel some of the joys of a board of examiners putting an aspirant for honors through his paces. But there can be only two reasons for a farewell entertainment to a retiring Ambassador who is returning to the obscurity, which is his best toga, and these are first a desire to honor the country that sent him and secondly, perhaps, some friendly desire to give him personally a good send-off.

While I realize that the first reason is very properly the principal one, I am yet egoistic enough to believe that the second may have entered for something in the invitation I have received to attend this banquet. I therefore wish to thank all here present from my heart for the honor for my country and also for the kind intention toward myself and my wife who, though ladies are not yet admitted to the Pilgrims' feasts, is, I am sure, included in this pledge of your kindness and good-will. I can assure you we appreciate most highly this new evidence of friendliness and regret at our departure. We have met with nothing but friendliness during our stay here and shall carry away memories of it that can never fade.

A French poet has sung "Partir c'est mourir un peu" and believe me that when it comes to the point it is very hard to say good-bye to so many real friends. That is what I feel mainly now. Perhaps later I may come also to feel the breaking with the habits of a lifetime even to the absence of that continuous string of red dispatch boxes filled with papers that pursued me with harassing persistence in my study at Washington. I don't know now whether I shall miss them. At present I think more of my liberty. But my friends I know I shall miss and I feel this evening the truth of that line "partir c'est mourir un peu" more than at any other time in the course of my career.

I do not, however, wish to detain you with personal sentiments which are after all of little importance to any one but their owner, and I must get on to the main theme about which I should like to speak tonight.

Quotes From a Play.

There was acted recently in Washington a play—I believe an English play—in the course of which a young secretary in the foreign office was cross-questioned by the Secretary of State for Foreign Affairs as follows:

"Mr. A, what do you consider the most important thing in life?" Mr. A replied, "Er—love." The Secretary of State went on rather testily, "Well, perhaps. But what then is the next most important thing?" To which Mr. A answered, "Er—er—Anglo-American relations." "Quite right," said the Secretary of State.

With that sentiment I also agree, for I feel that if love and Anglo-American relations can but be woven together as warp and woof we shall none of us have much need to worry about any serious international trouble for years to come. When I say love I mean just that friendship which takes itself for granted and does not always require to be trotted round the ring to show off its paces.

I have rarely touched on this theme of Anglo-American relations because it seemed to me that there were so many who were doing it perhaps better or perhaps worse than I could that it had better be left alone, but as I am here to speak for the last time on American soil, *I hope I may be excused for giving a slight review of this all-important topic as I see it and have followed it off and on for some thirty-five years since I first visited this country.*

I came *then as an ordinary traveler and spent only a few weeks* here, *going by the rather unusual route of Mexico, where also I had made friends with a number of Americans. I remember my first impressions of Americans on* their hospitality and great friendliness for the individual traveling Englishman, but also a perfectly open and undisguised suspicion of England and everything British, which was confirmed by my reading of the press.

This surprised and even alarmed me, for I could not remember having noticed anything of the kind on the other side of the water, where the general mental attitude toward the United States was one of complete ignorance and incredible lack of interest. To the ordinary British politician, diplomat, journalist and man of the world the United States was as far off as Mars and they particularly disliked and even resented the appearance of the United States on the international political horizon.

This attitude is well summed up by a remark in a letter from Sir Arthur Hardinge, then one of the rising lights in our diplomatic service, to Sir Cecil Spring-Rice in 1886 when the latter as a young diplomat was applying to be appointed to Washington in the capacity of secretary to the British Embassy. An extract from this letter I read in Sir Cecil's recently published life. [It was written on learning that Spring-Rice had applied for an exchange to Washington.] He said, "I hope you may get your exchange, though why choose Washington, which is out of all politics? Of course it is interesting in a way, and West is a charming chief. But it seems so off the line."

This was not the view of some foolish and prejudiced gentleman in white spats and a monocle, but that of one of the most finished scholars that Oxford had turned out at that time, a Fellow of All Souls, a first-class classical scholar and one of the greatest readers, master of I don't know how many languages, including Persian, and generally considered one of the most brilliant men of his time. It is, however, so typical of what I remember to have been the general attitude, which was also mine when I entered the Foreign Office a year before that letter was written, that I could not refrain from quoting it.

Spring-Rice saw further than his contemporaries and understood after a visit to this country in that same year that the United States was going before long to be probably the greatest power in the world and he wished to prepare himself to play his part as a diplomatist on this side of the water. How well he did it is revealed in his life and letters, and it is well that a man with his knowledge of this country was in charge of the British Embassy during the world crisis from 1914 to 1917.

Says America Was Isolated.

But to return to the Hardinge letter. "It seems so off the line." Exactly. For the most of us the United States was "off the line" politically. It was fortunately isolated from European politics by its own desire. So why trouble about what was happening or what was the mental attitude over on the other side of the Atlantic? There were, of course, some men, mostly among the liberals and economists of the nineteenth century and some business men, who had dealings with this country who took a deep interest in American affairs, and foremost among these was Bryce, to whom I owe more than I can say. But these were few and far between, and therefore I think I am not far wrong when I say that, during the nineteenth century and up to the great war, "the British political attitude toward the United States was generally one of indifference, ignorance and a feeling that she was off the line."

The mental attitude of the great mass of the American people toward Great Britain, on the other hand, was one of suspicion, largely colored by the "ancient grudge," as Owen Wister called it, which everything naturally tended to keep alive, since the great American heroes, the makers of this country, were all men who had fought against Great Britain, and her great victories were all victories over British forces: Saratoga, Yorktown, New Orleans. These were therefore naturally remembered and extolled, and in the minds of school children Great Britain remained fixed as the enemy. This was inevitable, just as it was inevitable that France in the minds of the school children of Great Britain always loomed as the natural foe from the days of Crecy and Agincourt down to Waterloo.

Our business men, of course, who if they tried to make their voices heard and to inform public opinion through Parliament or the press of the trend of affairs on this side of the water they were given, politely or impolitely, to understand that they were bores.

Dangerous Situation Changed.

Now it is difficult to imagine a situation more fraught with stupid and unnecessary peril than this. The two greatest powers in the world industrially, financially and economically, with everything to make them good friends—common language, common history, common law and much else in common—steadily drifting apart because of misunderstanding of much in their common inheritance and of indifference to it. That was a distinctly dangerous situation but it has materially changed in the last fifteen years owing I think largely to the great war.

That terrible earthquake shook us up together as perhaps nothing else could have done. It has brought Great Britain as a country and its inhabitants as a people far more closely to the knowledge of the great mass of American people than ever before and shown them, I believe, that Englishmen as a race are not very different from themselves and have very much the same ideals. It has also, at last, caused Englishmen to think about America, to travel in America, to understand its continually growing power and to realize that it is impossible to believe that such a power can be treated as if it belonged and should belong to another universe. Then the settlement of Ireland and the funding of the British war debt contributed not a little to improve the sentiments of most Americans toward my country.

I became aware of this improvement when I first arrived here as Ambassador. It was just one of those imponderable elements of political life which one breathes with the air. I remember mentioning my belief in the general improvement in our relations to a most distinguished American at the height of the controversy over the Geneva Naval Conference of unhallowed memory and saying that I did not for that reason regard the aftermath of that conference as so serious as many newspaper writers seemed to think. He smiled and said "I believe you are right. I remember my old grandfather never had a good word to say for the British."

Sees Both Attitudes Altered.

Well, what I am driving at now is to emphasize my conviction that that kind of attitude on this side of the water is just as dead as the attitude of indifference and ignorance of the United States on the part of leading men is dead and gone on the other side. This is something for which we must be devoutly thankful. It is perhaps hardly the result of the work of any one man or any body of men—I speak with all respect of the work of the Pilgrims—as of the course of events.

The fact of the matter is that unless our two countries produced some remarkably stupid statesmen, the people inhabiting them were bound, obliged by the force of circumstances to learn that anything approaching a serious conflict between them would be not only a most criminal and fratricidal proceeding but also of such a nature that, whatever its outcome, it could only result in such economic and financial loss as could never be compensated by the fruits of victory.

Let me give you a few, only a very few, figures to back up my contention.

Great Britain and the United States are the two great foreign trading nations of the world. The United States has the greatest export trade, her exports for 1929 being $5,241,000,000, compared with about $4,100,000,000 of Great Britain. As, however, Great Britain's imports amount to nearly $6,000,000,000 annually, compared with America's import trade of $4,400,000,000, she still leads in total foreign trade with a value of about $10,100,000,000, against America's $9,600,000,000. It will be seen, however, that the total overseas trade of the two countries amounts to the vast sum of nearly $20,000,000,000 annually. This is the huge sum at stake in the event of any conflict between the United Kingdom and the United States.

Further, the direct dependence of the two countries upon each other is highly important. The United States exports to the United Kingdom annually $847,300,000 (1928) worth of goods, and her purchases trade passing between the two countries in a year is, therefore, $1,195,700,000.

Although statistics show Canada as the largest importer of American goods, a certain proportion consists of grain from the United States en route to Europe through Canadian ports. When allowance is made for these shipments it becomes clear that the United Kingdom is the best foreign customer of the United States, her purchases of merchandise amounting to 18 per cent of all American exports. This is twice as much as is purchased by the whole of South America, and one and one-half times that bought by the vast continent of Asia. Moreover, over 40 per cent of American exports find a market in countries which fly the British flag. America, on the other hand, is England's best foreign customer, being only exceeded by two countries within the Empire, i. e., India and Australia.

In addition to merchandise balances of trade, there are many American branch factories established in England and a number of British plants in the United States. Further, there is the great flow of investment moneys back and and forth between the two countries, and upon Great Britain and the United States the financial stability of the world depends. From the economic point of view alone conflict between the two countries would be disastrous to themselves and to the world.

Now is there any possible cause of conflict between us that could in any conceivable circumstances justify such a terrific economic cataclysm as this conflict would cause?

Calls Conflict "Fantastic."

I have noticed that some journalists have talked about the inevitability of a clash between Great Britain and America on account of industrial competition and the struggle for foreign markets. Can any one in his senses really believe that the industrial situation of either of us would be benefited by risking all the immense trade that exists and runs into billions of dollars for the sake of trying to establish our respective export trades in even the greatest foreign markets? That is what this pessimistic prophesy amounts to. To me, frankly, this idea, quite apart from any sentimental horror of such a conflict and basing myself entirely on the most material grounds, is simply fantastic. Let us put it aside.

What other grounds for conflict exist? Does any one in this country believe that Great Britain has any hankering for territories of this country? Surely does he is qualifying for the nearest lunatic asylum. It may be that there are some writers in this country to whom the British West Indian Islands act as a certain vineyard did for a King of Israel, but if any one in England expects the American people to approve of forcible and direct action to satisfy this particular form of land hunger on the part of a few of them, then such person is also in my opinion rapidly qualifying for a lunatic asylum.

What remains to cause a conflict between us? The well-known cause of the conflict of 1812? Interference with neutral rights at sea? Well, here, I am of course at this moment treading on delicate ground and it behooves me to walk delicately even though I am now but a retired Ambassador. This has indeed frequently been mentioned as a probable cause of future conflict.

Well, gentlemen, all I can say about it is this, that if the leading statesmen of Great Britain are prepared in the midst of some other struggle to take on the United States as well they will deserve all they get having before them the lesson of 1917.

If, further, any United States leaders are ever prepared to plunge their country into war and to incur the consequences of an economic earthquake because they insist on referring a conflict of this nature to the ordeal by battle when it is obvious that in such circumstances other pressure would be sufficient to make belligerents desist from improper interference with American seaborne trade why, then they will not be the shrewd supporters of this country's interests nor the progressive and humane statesmen that I take them to be.

Discards Pessimistic View.

For [illegible] above reasons material and utilitarian

among those who take a pessimistic view of the future of Anglo-American relations. Quite the reverse.

I remember reading in some letter of Lord Dufferin's, who was one of our most famous Ambassadors in the last century, a suggestion that the best means of stopping war would be to arrange by international agreement that the Ambassadors of the respective belligerent countries should be hung immediately after the outbreak of war. Poor Ambassadors! They have really so little to say in high questions of policy to say. But I have always been inclined to agree so far with Lord Dufferin as to say in my capacity as Ambassador that if I were to be preceded on the last sad pilgrimage by whoever my Secretary of State might happen to be at the time and at least a baker's dozen of the most belligerent journalists of my country I thought I would go smiling to the stake.

I know my opinion cannot carry much weight but I should like to say this as a last message before leaving your hospitable shores. I am as certain as that I stand here that the sentiments of our two countries toward each other are growing not worse but better all the time. If you ask me for any specific evidence of this I would say that never was there so little ultra - patriotic denunciation of Great Britain than during the last Presidential elections and tail-twisting appears to be no longer a popular pastime. I would point to the immense popular interest taken in the illness of King George and his almost miraculous recovery, and lastly I would refer to the really wonderful welcome given everywhere to the British Prime Minister when he visited this country last Autumn. All these things tell their tale.

In Accord With Destiny.

I believe that this movement is bound to continue notwithstanding occasional setbacks over some momentary controversy that will be forgotten the next year, the next month, the next week or the next day, because this rapprochement, this coming together of the United States and the British Empire, is really in accordance with the forces of destiny.

I am sure that my successor will find the same hospitable welcome that you and all Americans have always given me. We both had the immense advantage of working together in the embassy under James Bryce, the great author of "The American Commonwealth."

I got to know Sir Ronald Lindsay well at that time, and all that he has done since—and he has had some of the most difficult post-war diplomatic appointments in the gift of the government—only confirms me in my respect and admiration for his character and his intelligence. He will keep the fires of good relations burning on the hearth, I know. So I commend him to you as a fine Scot whom you will all be glad to see installed in that new Embassy House upon the hill in Massachusetts Avenue which I have watched building for two years and looked out on much as Moses looked out on the promised land from Mount Pisgah, knowing he would not enter it.

The time is come for me to say "Good-bye, America, I am going home." I say it with mixed feelings—a very natural sorrow at parting with many dear friends, but also a joy at the prospect of taking my rest, Deo volente, for a few years to come in that beautiful old country of mine, that "precious stone set in a silver sea" which many of you also love and look to with affection.

Therefore, as all things must have an end, I wish you good-bye with gratefulness in my heart for all you and your countrymen have done for me, with many happy memories of good days spent over here and with full confidence that the future relations of our countries will move in a spirit of friendship and understanding so firmly founded that it will be taken for granted [illegible] need never be men-

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EXTERNAL AFFAIRS.

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"New York Times," November 14,1929.

USA

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A BUSINESS-LIKE AMBASSADOR.

In Sir RONALD LINDSAY, who is soon to be British Ambassador in Washington, we shall have one much of the type of Lord PAUNCEFOTE. In fact, the latter, then Sir JULIAN, came to Washington from the same position in the British Foreign Office that Sir RONALD has been filling, thus being a diplomat *par excellence*. During his many years of service in this country, Lord PAUNCEFOTE devoted himself almost exclusively to his official business. He was not a familiar speechmaker on public occasions. He conceived of himself as representing, not English letters or art or scholarship, but the British Government. Yet there was never a better or more helpful friend of the United States. It is confidently expected that Sir RONALD LINDSAY will follow in the footsteps of this predecessor. Over him he will have the initial advantage of a knowledge of America gained by official residence here, and by marriage. This sturdy Scotchman may be assured in advance of receiving a hearty welcome here, bearing, as he will, in effect, credentials from that other Scotchman, Prime Minister MACDONALD.

The latter must have been aware of the general feeling in the United States that the new British Ambassador might well be some man eminent outside the career of formal diplomacy. For years the American practice has been to regard our Embassy in London as something that stands by itself. We have wished it to be occupied by a representative who should indeed stand up firmly for every national interest, and scrupulously carry out the instructions of his Government, but who should also be able to typify and at the same time interpret the varied and pulsing life of America. England sent Mr. BRYCE here to do precisely that kind of work, and how well he did it there is a multitude of American witnesses to testify. That breaking of the diplomatic mold was highly successful. The fact that it was not repeated did not signify that the British Foreign Office disapproved of it, but perhaps only that it could find no man daring enough to venture a comparison of himself with BRYCE. Yet it is not doubtful that this country would have been glad to see the experiment tried again—giving us a Roland for our Oliver in the person of General DAWES. We should have warmly greeted some Englishman distinguished in literature or science or social work, who could have moved freely among us to give and take the best of either nation.

That was not to be; and in the selection of Sir RONALD LINDSAY a plain hint is given that the British Government expects to do a great deal of important business with our own. For that the new Ambassador is admirably fitted by experience and training. He will doubtless have important diplomatic and international affairs to handle, and will unquestionably rise level with his opportunity, cultivating friendship with the United States while properly maintaining the views and rights of his own Government and of the British people. When Lord LYONS, British Minister at Washington during our Civil War, took leave of his post, he wrote to a friend that he was proud never to have made a speech here. It is to be hoped that the new Ambassador will not draw the line so sharply, and will at least go as far as his predecessor, Sir ESME HOWARD, has gone, in being a gracious participant and speaker at occasional public meetings in this country. In the letter referred to, Lord LYONS added that he had never "taken a drink" in the United States. This doubtless referred to drinking in a public place. That example our subsequent legislation will have made it easier for Sir RONALD LINDSAY to imitate.

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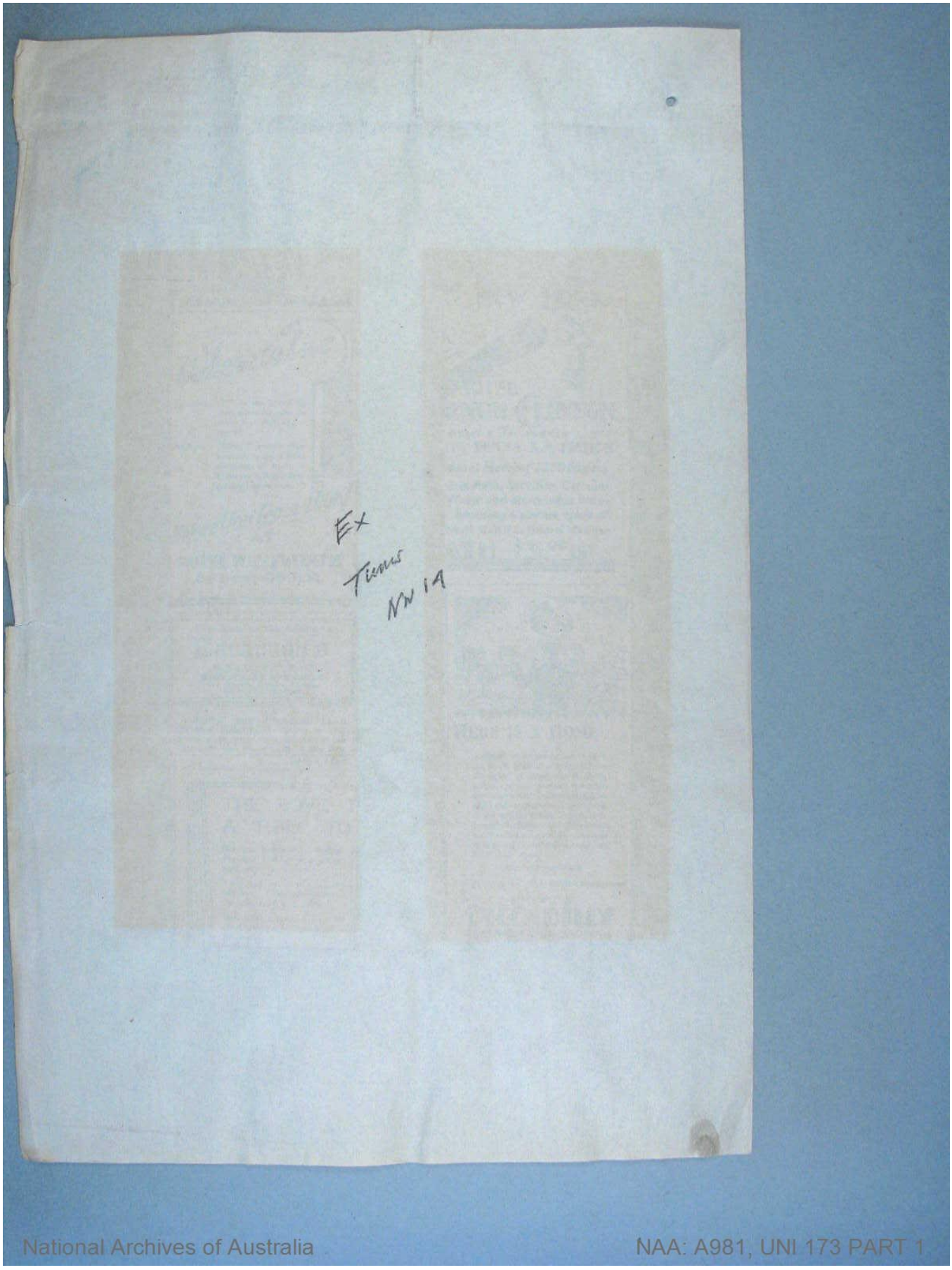

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THE ANGLO-AMERICAN EXAMPLE

This hope or none. * * * If Britain and America, with the same great mother tongue in common, with so many similarities in democratic institutions and social ideas, with all their practical ties and human intimacies—if these two proved unable to set an unbreakable example of good understanding there could be no rational hope that any other nations truly and completely "foreign" to each other would appease their feuds and learn instead to live in creative harmony.

Thus writes Mr. J. L. Garvin in his essay on "The English-Speaking World" in his new edition of the Encyclopædia Britannica. His reflections are of especial interest now that the two executive heads of the United States and the British Empire have met for the first time in history in Washington. He believes that upon the degree of Anglo-American harmony which we may find attainable, more than upon any other political influence, rests the future of mankind. For more than a hundred years the two nations have outridden every threatening storm; if this amity continues and grows, he asserts, with it may grow the safety and peace of the whole world.

Of the immensity of the power and influence which the English-speaking peoples can now exert there can of course be no question; it is far and away the greatest potential influence of the kind ever known. We are likely to forget how spectacular has been its rise. Less than 175 years ago there were only 12,000,000 English-speaking people on the planet, or but three-fifths the population of France. In 1790 there were still but 16,000,000, while France had 26,000,000. To-day there are nearly 200,000,000 who speak our tongue. They control all the Australian Continent, nearly all the North American and much of the African and Asian. Their prospects for growth in numbers and wealth are unapproached by any other language group, for Canada, Australia and South Africa are clearly destined to become populous powers. Taken collectively, the different nations and commonwealths have practical command of nearly half the world's surface and more than half its resources now available. Their sense of duty should equal their pride of power, and if they rise to their responsibilities their influence will indeed be potent.

But the force of the Anglo-American example is not precisely that which Mr. Garvin assigns to it. He argues that because the two peoples have so many reasons for agreement they can set an example which will be of the utmost hopefulness. It might better be said that because they have so many excuses for disagreement their example may be of the utmost impressiveness. If we consider the circumstances under which the two great English-speaking divisions now live, we see that they are the two foremost rivals for markets and commercial wealth. They have between them the supremacy of the seas, which for four centuries has been the decisive factor in world history, which no great power ever before failed to covet, and which no nation has ever yet surrendered to another without a grim struggle. They are both highly aggressive, with pasts which are strewn with battle and annexation; they have fought two memorable wars with one another. Within the memory of multitudes now living, in 1895, they were so close to war again that an untoward incident might have precipitated hostilities. It is useless to speak of common blood strains as demanding peace, for civil wars are among the most frequent in history; it is useless to point to the common language, for this ease in understanding one another has often been a positive irritant. Mr. Garvin's statement might well be recast. It would be both truer and more hopeful to say that if these two peoples, with their clear rivalry, their record of past conflict, and their numerous points of friction, can come to an understanding which makes war unthinkable, then any two nations on earth can do so.

The reason why the British Commonwealth and the United States have come within full sight of such a point does not lie in considerations of language, racial kinship, ease of intercourse or private friendship. All of these might co-exist with jealousy and hostility. It lies rather in the confidence of the two peoples in each other's good will, sincere desire for peace, and willingness to abstain from what is grasping, treacherous or unfair; a confidence that is partly trust in one another's government and partly trust in each other's basic civilization. There was no such confidence when Americans suspiciously watched Canning in 1812, or Palmerston and Lord Russell in the Civil War days, or Salisbury in 1895, and when they disliked Toryism in all forms; when Britons were suspicious of American bumptiousness and condescending to American crudity. These attitudes lasted till recent times. Now they have passed away. We trust the fundamental soundness and liberalism of the British people, who put men like Asquith, Baldwin and MacDonald in office, and who in some ways are bolder for peace and social equity than we; we trust a British Empire which gives autonomy the freest scope. We understand and respect the culture of the British, and they understand and respect ours. In this understanding and liking the democratic young dominions are increasingly important. There are no two nations that cannot cultivate the same mutual confidence on the same bases. It is an example which can be imitated the world over.

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[A 4540/30/45]

No. 1.

Sir E. Howard to Mr. A. Henderson.—(Received July 9.)

(No. 1231.)

Sir, *Washington, June 27, 1929.*

THERE is no doubt that a very great change has manifested itself in the tone of the American press in its discussions on Anglo-American relations since Mr. Hoover revealed his apparent determination to cut through the tangle of misunderstanding which has separated the two countries of late, and since the result of the English elections—which was interpreted here as a condemnation of the late Government's American policy—became known. Even the "Chicago Tribune," which has so persistently insisted on the theme of Anglo-American rivalry and on the resultant necessity for American armaments, is now moderate in tone. Nevertheless, it finds in General Dawes's definition at the Pilgrims' dinner of the rôle to be played by experts in further negotiations for naval agreement occasion to sound a serious note of warning. The result is an article which is, I think, sufficiently representative in its expression of opinion to be worth quoting at some length.

2. The paper writes: "The friendly exchanges which have taken place between Mr. MacDonald and the new American Ambassador undoubtedly express the spirit which animates the main body of the American and British peoples in their common desire for peace and accord. There are many points of friction between the two countries, and a rivalry which it serves no good purpose to deny. The emphasis placed both in England and America upon the meeting of Mr. MacDonald and General Dawes, and the obvious earnestness and sincerity of their utterances, are evidence of the common realisation that conflict is by no means unthinkable and that durable accord is something to be vigorously and practically striven for. If by adjustments Mr. MacDonald and Mr. Hoover can reach a common understanding as to naval strength and maritime interests, they will have gone as far towards ensuring a durable peace and a profitable co-operation as can be hoped through statesmanship. General Dawes, therefore, did well to confine his speech at the Pilgrims' dinner to the problem of naval accord, and it is to be hoped that the American public will give serious attention to this difficult problem. The American public is apt to forget about the sea, and only dimly to realise America's growing maritime interests. At the same time there is an emotional aspiration towards peace and friendship, but well disposed as the American public may be, and confident as they may be that His Majesty's Government are bent on agreement, they may also be confident that His Majesty's Government have a sound understanding of England's vital needs from which they will not be dislodged. This attitude of mind is worthy of respect. It also should be imitated by Americans. All Americans of goodwill hope that an understanding will be reached which will substantially diminish naval expenditures and remove occasion for anxiety and friction with the resultant possibility of conflict. But no understanding will endure unless it embodies a just appreciation of the vital concerns of both nations. A diplomatic victory such as that achieved by Great Britain at the Washington Conference would be a Pyrrhic victory. There is little danger of Mr. Hoover yielding such a success to Mr. MacDonald or of Mr. MacDonald seeking such a success. Nevertheless, America's experience, both in her well-intentioned effort at Washington and in her subsequent efforts at Geneva, has not been encouraging and should serve as a warning. At the Washington Conference the advice of the American technical experts was overruled and Americans cannot find in the result of that conference any occasion to rely upon the ability of civilian judgment to protect them from ill-advised conditions and ruthless sacrifices. The adjustment of naval strength is primarily a technical affair, and while it must be governed by certain basic factors of policy it cannot be safely made without an intelligent respect for expert knowledge or without close co-operation between political and technical representatives."

3. For the rest, it is satisfactory to note that the "New York World," the "New York Times" and the "Baltimore Sun" are all opposed to the complication of the disarmament problem by the injection into the present discussions of the

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question of the freedom of the seas. The "New York Times" writes that "The President appears to have decided to get something practical done as speedily as possible, and to leave the discussion of an abstract principle—which the United States has upheld or disregarded according to its own temporary convenience—until a later time. This looks like the sensible way in which an engineering mind would proceed, but it has to be noted that Mr. Hoover has done it at the cost of almost wrecking the nervous system of that Senator of the contrary mind, Mr. Borah. General Dawes did not follow the suggestions of the Idaho Senator. Therefore, he must have been wrong and the outlook left very gloomy, but if anybody, anywhere, at any time, produced a plan which Senator Borah could heartily approve, it would at once become suspect in the eyes of almost everybody else." The Liberal "World" and Radical "Baltimore Sun" are opposed to Mr. Borah's insistence on the principle of the freedom of the seas "on the basis of the inviolability of private property," because his attitude is in conflict with the implications of the treaty for the renunciation of war. The "Sun" has an article laying stress on the past inconsistencies of the American attitude towards this question. Captain Dudley Knox, too, has written an article arguing that there is no necessary relationship between an agreement on sea law and an agreement for naval reduction, for, even if the principle of the freedom of the seas were established, it would still be necessary for the United States to maintain a navy to guarantee it. The strength at which she must maintain that navy is purely a matter of relativity. The "New York Herald-Tribune," also, has an article commenting on Mr. MacDonald's reported intention to accept the optional clause of the statutes of the World Court, in which it points out that this would involve submission by Great Britain to the court's judgment in the matter of blockade rights. In order, however, to obtain a ruling, it would probably be necessary, first, to fight another naval war in order to raise the issue. For the moment, the issue is a sleeping one, and many think that it will sleep long. Blockade, in fact, can be enforced only by a Power which has a marked superiority at sea. Were the principles of the Washington Treaty applied in a broad sense, were real parity established among the sea Powers according to its ratios, and were naval strength reasonably reduced, blockade would cease to be practicable.

I have, &c.
ESME HOWARD.

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[A 4380/3895/45] No. 1.

Sir E. Howard to Mr. A. Henderson.—(Received July 2.)

(No. 1173.)

Sir, *Washington, June 18, 1929.*

MY despatch No. 1149 of the 17th instant contained a review of earlier press comment on the possibility of a visit to the United States by the Prime Minister. Since that despatch was written interest in this matter has continued unabated.

2. Mr. Oulahan, writing in the "New York Times," of which paper he is the Washington correspondent, says that it is already apparent that public opinion within the United States and Great Britain is ready to incline sympathetically to authoritative confirmation of the report that Mr. MacDonald contemplates visiting Washington to discuss Anglo-American relations with President Hoover. The importance attached in the United States to this report is attested by the fact that the press has universally and immediately recognised it as an outstanding piece of news and by the flood of editorial comment, very generally approving, which the report has provoked. Mr. Oulahan then goes on to say that, on the whole, this manifestation of popular approval is somewhat surprising. It burst forth at a time when a very marked disposition existed to be extremely critical of Britain and things British. In Washington, the gathering-place of people from all parts of the United States, that critical disposition was construed by many observers as reflecting a rather general sentiment. Nevertheless, even in Washington the expressions of those in public positions of consequence have been sufficiently cordial to suggest that the above-mentioned critical attitude was not due to any actual unfriendliness. During the debate on the cruiser-building programme the strong support given to it by many Senators was interpreted as a reflection of popular feeling, and some Senators made no bones about saying in public debate that the proposed increase in the American navy was aimed at Britain. Certainly, the idea was prevalent that the British policy at Geneva had been framed with a view to possible differences with the United States. Moreover, even among persons who did not believe in the possibility of an Anglo-American war there were many who felt that the British attitude towards America was altogether unfriendly. They felt that Americans as a people were being harshly and unjustly judged by British public opinion, and the average Britisher looked down on Americans as a people actuated only by the most sordid motives. But it took only the merest hint that the head of the new Government in London contemplated visiting Washington with a view to the establishment of cordial relations on a practical basis to bring out a chorus of approval. Washington officials have gradually been acquiring the impression that there has been of late a more favourable disposition than hitherto towards the United States on the part of the British authorities and of a considerable body of British public opinion. The refusal of the generality of the British public to accept the Anglo-French Naval Accord and its consequent abandonment by the late Government was another factor which indicated to the American official mind that, after all, the feeling of Britishers towards the United States was friendly rather than the reverse. On top of this came official assurances that statesmen of all three major political parties in Great Britain were inclined to make an effort to substitute cordiality for the irritation which had entered into the relations between the two peoples. Feelings of this character were also particularly marked in the British overseas dominions, and especially in Canada.

3. I have quoted from Mr. Oulahan's article at some length because I think it reflects with a considerable degree of accuracy the states of feeling through which public opinion in this country has recently passed.

4. The "Philadelphia Public Ledger" observes that, though Mr. MacDonald's "dream of 20th century peace" may seem fantastic to a world so long accustomed to seeing such visions blasted, yet even the cynical-minded must admit that it is dreamed under a peculiarly favourable conjunction of circumstances. It goes on to expound the view that peace in Europe is now relatively assured, and that, in order to find possible dangers to peace, one must now look beyond Europe to the rivalry between the British Empire and the United States. There "on the seven seas of the earth stand two mighty opposites each figuratively challenging the other for

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command. History has shown that in the past such a situation has always resulted in war." The article then goes on to say that a broad and practical basis must be found to reconcile England and America on the sea "or 20th century peace remains in a state of flux and instability." So, too, in the "New York Times" the paper's London correspondent, Mr. Edwin James, writes that the two most important nations in the world are now "elbowing each other for the place of the head of the class." "The nation which has headed the class for the last 100 years thinks that the newcomer is pushing. The newcomer says he is. And there is only one place at the head of the class." Mr. James concludes his article, copies of which I enclose,* as it seems to me in many ways an admirable analysis of Anglo-American history in the past ten years as reflected in popular opinion, with the remark that, though there is only one place at the head of the class, "surely Mr. MacDonald and Mr. Hoover would agree that neither of their countries is planning a gun fight for it."

5. The "Philadelphia Public Ledger" declares that the proposal is supremely significant as indicating that the British Government have at last realised (as "has been evident for some time to the more enlightened sections of opinion in Great Britain") that the relationship of the British Empire to the United States must be the keystone of the arch of British policy. Upon the maintenance of friendly relations with the United States depends not only England's security, but even the existence of the British Empire. Anglo-American relations, it is evident, are to be the corner-stone of Mr. MacDonald's foreign policy. He seems to be determined to free himself from that excessive preoccupation with purely European concerns which has characterised British policy in the post-war decade. He is principally concerned, it may be assumed, with world peace and the integrity of the British Empire, which hinges upon world peace, and recognises the urgent necessity of removing those causes of friction which exist to-day between this country and his own. "The United States has become in a sense the sheet-anchor of British imperial policy."

6. For the rest, the general tone of the press, which, as Mr. Oulahan says, continues to give the utmost publicity to everything connected with the possibility of an Anglo-American rapprochement, remains very satisfactory, and perhaps too surprisingly reasonable, in its views. Thus, the "New York Times," weighing impartially the pros and cons of a visit by the Prime Minister, writes that "a friendly and official visit to this country by Mr. MacDonald has been assumed to be a certainty. In case, however, anything should prevent him from coming, the question may be asked: What gains for both countries would result (from his visit)? There indisputably would be an accentuation of friendship. The Prime Minister would get an overwhelming greeting here. Official Washington would give him a magnificent reception, and wherever he went he would encounter manifestations of high regard. Nor could it be doubted that all his public utterances would be of a sort to emphasise his unselfish purpose in becoming our guest, and to place the importance of a good understanding between England and the United States in the proper light. But underlying all these external symbols would be the realities of business to be done, the practical ends of statesmanship to be striven for. How much would they be advanced by Mr. MacDonald's personal touch, as compared with what might be done through the ordinary channels of diplomatic exchange and international agreement? And might not certain awkwardnesses arise from this kind of individual contact that would be avoided through more formal and written communications between the British Foreign Office and our Department of State? The sum of the whole is that great benefits might result from Mr. MacDonald's American visit, if he makes it, but that impossibilities should not be expected. If he comes, he will be applauded. Should he feel compelled to stay in London, the American public would be just as ready to hail his work for friendship and for peace. Either way, Mr. MacDonald may be sure that he has the ear, and can easily command the approval, of the American people."

I have, &c.
ESME HOWARD.

P.S.—A copy of this despatch has been forwarded to the High Commissioner at Ottawa.

E. H.

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* Not printed.

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[A 4305/3895/45] No. 1.

Sir E. Howard to Mr. A. Henderson.—(*Received June* 28.)

(No. 1149.)

Sir, *Washington, June* 17, 1929.

AS I reported in my telegram No. 274 of the 11th June, the report which has reached here that Mr. MacDonald is anxious to visit this country in order to establish personal contact with President Hoover has provoked wide interest and almost unanimously favourable comment in the press. The Liberal "New York World" is very optimistic. It expresses the view that this country is slowly emerging from that mood of diffidence which has led it to adopt an attitude of aloofness towards other countries ever since the war. This is now changing. The success of Mr. Morrow's magnanimous diplomacy in Mexico and of Mr. Young's conduct of the reparations negotiations in Paris, have shown that international problems can be solved; and President Hoover is determined to break through the tangle of suspicion which characterises Anglo-American affairs. The more radical "Baltimore Sun" writes that "so far as the American public is concerned, we believe Senator Borah and Senator Swanson spoke for the whole people when they welcomed the idea of Mr. MacDonald's visit. There is an almost universal opinion in this country outside of the professional patriots and the congenital viewers-with-alarm that there is no sound reason whatever why the United States and Great Britain could not quickly come to terms if they would look at the questions between them in broad outline and with rational regard for the fact that the will of the two peoples is so set for peace that any steps on either side toward war would cause a popular revolt." The more conservative and big navy "New York Herald-Tribune" writes that the suggestion of Mr. MacDonald's visit has been cordially welcomed in this country. The Labour party have made it clear that they are prepared to abandon the ancient British doctrine of primacy on the seas and to substitute for it the Washington Treaty conception of parity with other nations and genuine reduction, as well as limitation of naval armaments. The paper expresses the view that a Labour Government will not allow their policies to be controlled by the Admiralty as, it is generally supposed here, has been the case with former British Governments. This paper also quoted at length from Mr. Garvin's article in the "Observer" of the 9th June, in which, apparently, he urged a joint visit to Washington by Mr. MacDonald and by Mr. McKenzie King for the purpose of bringing Great Britain's naval policy into harmony with the relations which exist between the Empire, and, in particular, Canada, on the one hand, and the United States on the other. The "Tribune" then goes on to say that it is to the British Empire's great advantage in the long run to offer naval parity and reduction to the United States. If Mr. MacDonald proposes to come with such an offer his mission would be a great success.

2. Washington correspondents of the various papers all assert that in Government circles the idea of Mr. MacDonald's visit is regarded with great satisfaction.

3. The "Springfield Republican" warns of rocks ahead—a warning possibly borne out by a slight note of caution which one can perhaps detect between the lines of the above-quoted article in the "New York Herald-Tribune." The Springfield paper writes that Mr. MacDonald's proposed pilgrimage to Washington "will drive some of our most redoubtable navalists into panic." They will fear that the wily British are again about to deceive them and wickedly to strip America of her defences. The article observes, however, that similar fears will no doubt also be felt and expressed in England. It then goes on to say that the attitude of Japan justifies hope for the possibility of further all-round naval reduction, but that France and Italy have also to be taken into account, and there is no knowing what Signor Mussolini will not do. Meanwhile, the "Philadelphia Public Ledger" declares that Mr. MacDonald's suggested visit would be a historic event—spectacular recognition of the conviction voiced recently by so many Englishmen that British foreign policy must be founded primarily on Anglo-American friendship and

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co-operation. The issue of the "freedom of the seas" *versus* the "command of the sea," however, sticks too deep in the conscience of the two peoples to admit of a hurried or makeshift solution. It involves more than naval reduction, and it is, therefore, a question whether Mr. MacDonald's visit "could be endowed with more than gesture value." This paper also gives prominence to extracts from Mr. Garvin's above-mentioned article and suggests that the thesis advanced therein has obvious advantages.

4. The "Boston Evening Transcript" declares that the idea of Mr. MacDonald's visit will be hailed with pleasure by Americans, regardless of party. It represents, the paper thinks, a direct tribute to Mr. Hoover, "for no figure at the time bulks larger in world affairs than the modest yet forceful engineer who occupies the most powerful seat on earth." The paper also asserts that great significance is to be attached to the fact that in selecting his Cabinet Mr. MacDonald has ignored the extremists of the Labour party, "for nothing could be more destructive of world confidence than a suspicion of instability in the policies or tenure of the new Government." As it is, it may even be that Mr. MacDonald will find that he has a more solid *bloc* of parliamentary opinion behind him than has President Hoover. Interest will centre chiefly on the question of abolishing naval competition, and, at the same time, putting a check on the danger of aggression. "It is within the power of Premier MacDonald to accomplish much in this direction, and it is in the heart of President Hoover to meet him halfway."

5. The pacifist "Christian Science Monitor" is very enthusiastic, and also welcomes the idea that Canada should take a part in any discussions which may be forthcoming and that the principles underlying the existing relationship between Canada and the United States should be established as the guiding principles of Anglo-American relations all over the world.

6. The "Washington Post," which can be relied upon to make mischievous trouble whenever possible, has a cynical article which I have forwarded and commented on separately in my despatch No. 1127 of the 13th instant. This paper's evident desire to damp enthusiasm appears to be directly attributable to a desire to prevent Anglo-American agreement lest the aims of the big navyites should be defeated thereby. In contrast with this article it is satisfactory to note that the "Chicago Tribune," which in questions concerning naval matters is ordinarily blindly anti-British, publishes on its front page a very friendly and encouraging cartoon.

I have, &c.
ESME HOWARD.

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EXTERNAL AFFAIRS.

REFERRED FOR INFORMATION FROM THE OFFICE OF THE COMMISSIONER GENERAL FOR AUSTRALIA 80 BROADWAY, NEW YORK

"New York Times," July 2,1929.

BRITISH WEST INDIAN BASES.

Proposals that Great Britain abandon her naval bases in the West Indies in order to dispel an apprehension that they are potentially a menace to the United States are not as yet official. Only Jamaica, St. Lucia and Barbados possess anything in the nature of fortifications. Jamaica is of admitted strategical importance. It commands the approach to the Panama Canal. St. Lucia and Barbados are well down toward Venezuela and remote from the Canal Zone. The fortifications in neither are formidable. Admiral JELLICOE in his paper "The Naval Policy of the Empire" was not called upon to deal with the West Indies. The Royal Navy on the West Indies station is represented by a few light cruisers and sloops. Land forces consist of a battalion of regulars here and there and of local volunteers and militia. As a naval base is usually defined, the West Indies do not boast one, but there are naval stations.

Great Britain might pledge herself not to improve or extend existing fortifications in the West Indies, following the example set by the United States, the British Empire and Japan with regard to the Western Pacific in the Washington naval treaty. It would be no sacrifice, for, as Professor WEBSTER says:

> In policy we have long recognized that the United States has a paramount interest there [in the Caribbean], and it is time we demonstrated clearly that our strategy recognizes that fact.

"Augur" in The Fortnightly Review also urges Great Britain to abandon naval bases in the Caribbean. He grants that the warlike equipment of the British colonies is negligible. "It is the potentialities "of the situation which exasperate "the Americans," he says. That is putting it rather strong, for Americans are supposed to know their MAHAN. Before the acquisition of Guantanamo and Culebra there were grounds for apprehension. MAHAN says in "Naval Strategy" (1911):

> Should contention for control at the Isthmus arise between the United States and a European State the possession of Key West, Guantanamo, and Porto Rico with its appendage Culebra, constitutes a formidable line of control, affording great support and protection to routes from the Atlantic to the Isthmus and Canal Zone, and almost perfect security to those from the Gulf ports.

Also, he says that "Guantanamo "has the very great advantage that "a battle fleet there has its grip "upon every line from any part of "the world to Jamaica." And this should be noted:

> As to the Caribbean and the Isthmus, Guantanamo and Culebra can become to the United States what Gibraltar and Malta are to the interests of Great Britain in the Mediterranean and at Suez.

Admiral MAHAN coveted St. Thomas for the United States. In 1917 the United States purchased the Virgin Islands from Denmark, materially strengthening our strategic position in the West Indies. British statesmen have a way of looking far into the future, and the Admiralty will hardly be receptive to the suggestion that the West Indian naval stations be given up.

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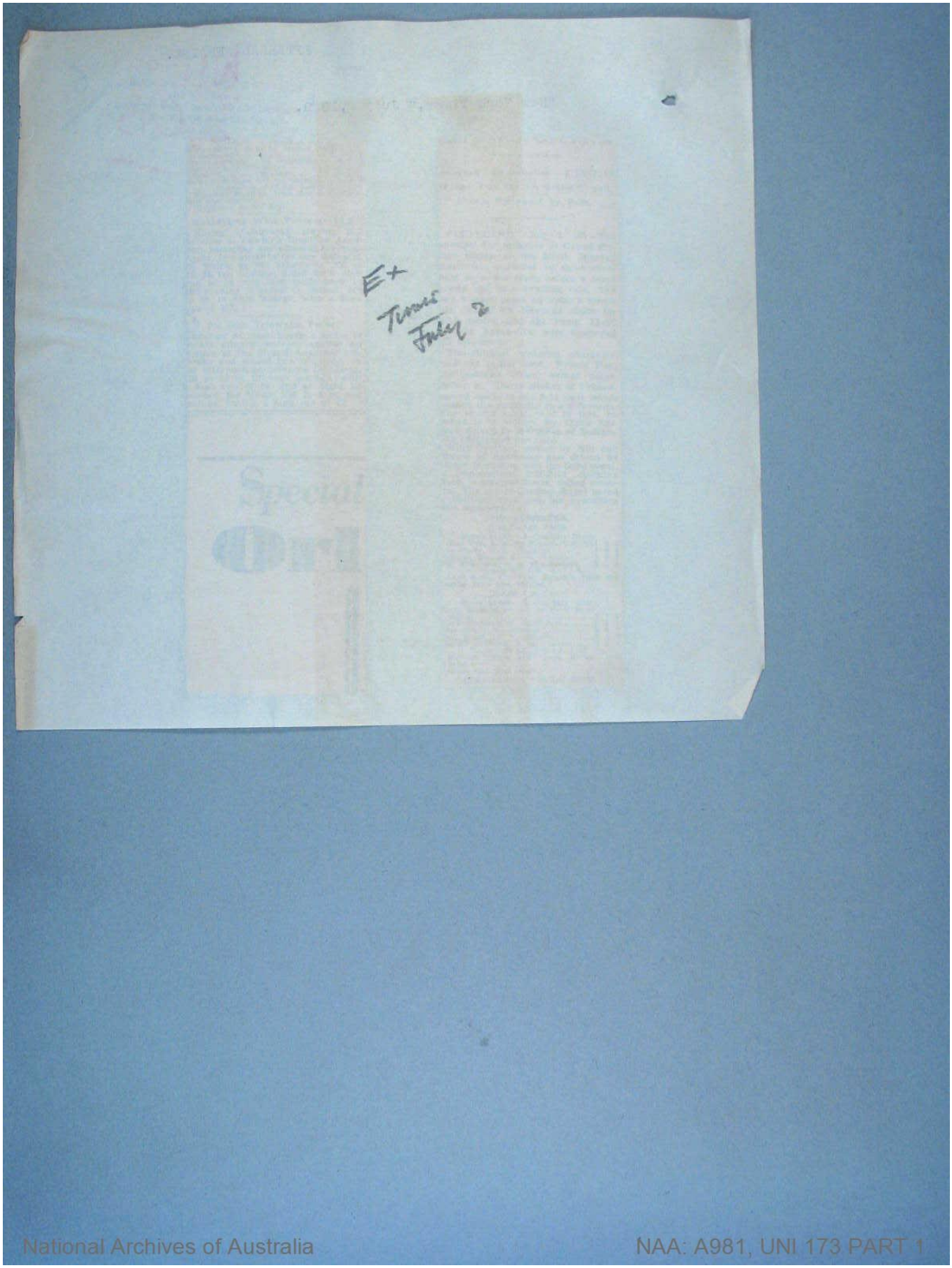

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Manchester Guardian 3/7/29

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BRITISH NAVAL BASES.

American Comment on Abandonment.

IDEAL FOR THE FUTURE.

Principle of the Undefended Frontier.

(From our own Correspondent.)

NEW YORK, TUESDAY.

The suggestion for the demilitarisation of the British naval bases with the Caribbean is the subject of a striking leader in the "New York World" to-day. The "World" says: "The suggestion is made by Britons to Britons, and it would not be in order for American newspapers to make a specific comment upon it." The journal points out, however, that the proposal is in accordance with the principle which it says will dominate the future relations of Great Britain and the United States—"the principle of the undefended frontier." The "World" says:—

The best opinions on both sides of the ocean is, we believe, about to rally around this principle as providing a true solution of the problem. The principle of the undefended frontier means that the two Governments will agree not to measure the strength of their armaments against each other. This principle has been tested for a hundred years between Canada and the United States. It has worked moreperfectly than any other pact of peace in history. In developing its armaments, the United States does not take Canada into account. Canada does not take the United States into account . . . no conferences for the limitation of armaments are necessary; no yardsticks have to be devised. This is the ideal relationship.

Certain phrases in Ambassador Gibson's speech, made under the direction of the President, many utterances of British leaders, and this latest suggestion for demilitarising the Britsish possessions in the Caribbean, all point to the realisation that the proper way to deal with Anglo-American affairs is to apply the same principle. In theory that principle is already in effect. If the Kellogg Treaty be taken seriously, and it would be a moral disaster not to take it seriously, then Britain and America have no right to sit down solemnly and debate which Navy is capable of blowing the other out of the water."

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Manchester Guardian
15-6-29

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REDUCTION OF NAVIES.

How Far Dare Mr. MacDonald Go?

FEARS IN AMERICA.

Some Objections to Suggested Visit.

(From our own Correspondent.)

NEW YORK, FRIDAY.

While the American press and most of the individuals who have made any comment on the subject continue to give warm endorsement to the proposed visit of Mr. MacDonald to Mr. Hoover, I find among some students of international affairs a growing undercurrent of opinion that it would be a mistake for the British Premier to come. The individuals holding this view include some of the warmest advocates of pacifism and friends and admirers of Mr. MacDonald and his party.

Their feeling is based on the fear that Mr. MacDonald and Mr. Hoover are farther apart in their views than is generally realised, that the conference may accomplish nothing, and that the disappointment following a failure would leave things worse than before. An analogy is drawn from President Wilson's visit to Paris for the Peace Conference in 1919, the American belief being that his aims would have been much better realised if he had stayed at home. A specific argument concerning naval armaments is based on the idea that the British Fleet is now substantially larger than the American. It is assumed that Mr. MacDonald is willing to grant parity, but could not get support for a drastic reduction of the present tonnage. The question is whether the fleets are to be stabilised at the present British level, or at the American, or at a point well below the American. It is considered that Mr. MacDonald would certainly accept the first, and perhaps the second, but his Government would probably be defeated if he agreed to the third, which is the level that Mr. Hoover wants.

Differences About Russia.

Those who oppose Mr. MacDonald's visit offer another consideration. They argue that the Kellogg Pact, rightly understood, makes any recodification of sea law unnecessary as between England and the United States. They say that the possibility of a private war in which either Power would be the belligerent party should no longer be considered, and that, in the case of a public war, it is inconceivable that either Power would insist on the right of a neutral to uninterrupted commerce with any third Power which may be deemed the aggressor. As yet, however, there is no reason to believe that Mr. Hoover or Mr. MacDonald is prepared to act on the basis of these altered circumstances. The opponents of a visit by Mr. MacDonald fear that an attempt may be made to undertake the recodification of sea law on the old terms, and that this attempt would break down because of technical differences.

As I said, those holding the foregoing views are decidedly in the minority. The general opinion is wholly favourable to the suggested visit.

Some apprehension is expressed here lest Mr. MacDonald and Mr. Hoover come to a deadlock on the Russian question, for it is suggested in

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probably be defeated if he agreed to the third, which is the level that Mr. Hoover wants.

Differences About Russia.

Those who oppose Mr. MacDonald's visit offer another consideration. They argue that the Kellogg Pact, rightly understood, makes any recodification of sea law unnecessary as between England and the United States. They say that the possibility of a private war in which either Power would be the belligerent party should no longer be considered, and that, in the case of a public war, it is inconceivable that either Power would insist on the right of a neutral to uninterrupted commerce with any third Power which may be deemed the aggressor. As yet, however, there is no reason to believe that Mr. Hoover or Mr. MacDonald is prepared to act on the basis of these altered circumstances. The opponents of a visit by Mr. MacDonald fear that an attempt may be made to undertake the recodification of sea law on the old terms, and that this attempt would break down because of technical differences.

As I said, those holding the foregoing views are decidedly in the minority. The general opinion is wholly favourable to the suggested visit.

Some apprehension is expressed here lest Mr. MacDonald and Mr. Hoover should come to a deadlock on the Russian question, for it is suggested in dispatches from London that Mr. MacDonald seeks to obtain a common friendly policy by the two countries toward the Soviet Government. Mr. Hoover is quite as strongly anti-Russian as was Mr. Coolidge, and the Secretary of State, Mr. Stimson, only a few days ago announced that there is no intention of resuming diplomatic relations at present.

GEN. DAWES ARRIVES

To-morrow's Meeting with Mr. MacDonald.

General Dawes, the new American Ambassador, arrived in London yesterday. He will present his credentials at the Foreign Office this morning, and will later leave for Scotland, where he is to meet Mr. MacDonald.

The meeting will take place, not at Lossiemouth, but at Logie House, Forres, the residence of Sir Alexander Grant, an old friend of the Premier's. Mr. MacDonald will meet General Dawes at Forres, and will motor with him to Logie House.

Presumably with an eye on to-morrow's meeting, Mr. Churchill, ex-Chancellor of the Exchequer, last night declared the Conservative party's attitude towards a naval agreement with America. He said:

When at the Washington Conference of 1921 Britain accepted the new principle that Britain and the U.S.A. should be equal Powers upon the sea two conditions were implied. The first was that special regard should be had to the entirely different circumstances of this crowded island, which can be starved in a few weeks, and the great continent in which the people of the U.S.A. dwell so safely and so prosperously. It would not, in my opinion, be a fair interpretation of the principle of equal powers upon the sea if a mere numerical measure of two fleets, each the replica of the other, were to be made the rule. Then we should not have equality, but, under the guise of equality, an absolute and final inferiority. Such a result I intend to resist.

The second condition is that any agreement between Great Britain and the United States must be based upon a tolerant and good-hearted spirit towards naval affairs on both sides of the Atlantic. If naval equality is to lead to a jealous and suspicious scrutiny of every ship and every gun and every armour-plate between the two navies it would be much better to have no agreement at all, and for each of us to go our own way, acting sensibly and soberly and in a neighbourly fashion, but free and unfettered. . . . He awaited from the new British Government a very early declaration on the steps they proposed to take.

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EXTERNAL AFFAIRS

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29 BROADWAY, NEW YORK

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+USA 16

New York "Herald Tribune" June 5, 1929.

Labor and British Foreign Policy

If the Labor party had a clear majority in the House of Commons a decided change in British foreign policy could be looked for under the second MacDonald Premiership. In the negative sense there will be at once a considerable readjustment, for Sir Austen Chamberlain had directed foreign affairs along a line which neither the Labor party nor the Liberal party has any inclination to follow. If Lloyd George decides to adopt an attitude of benevolent neutrality on issues which do not particularly challenge Liberal declarations and interests the MacDonald foreign policy may be much less colorless and restrained than it was in 1924, when Labor governed, although only the second largest political group in Parliament.

In the recent campaign both the Labor and Liberal organizations flatly abandoned the dogma of British naval superiority and the tradition embodied in the once-undisputed slogan, "Britannia rules the waves." Both favored complete acceptance of the principle of naval equality with the United States, conceded at the Washington conference, but deferred since then by the British Admiralty's obstructive tactics. Both welcomed President Hoover's suggestion of parity, not necessarily in total tonnage by classes, but in equivalent total tonnage, giving each warship a rating according to size, age and caliber of guns and allowing a deficiency in one class to be compensated for by an excess in another class. The Liberal party explicitly indorsed the proposals made through Ambassador Gibson at Geneva a few months ago. The Labor party is not only willing to come to terms with the United States on naval equalization, but is also anxious to enter into an agreement restating the international law doctrines of blockade and freedom of the seas.

The new Labor government is thus committed to a very important modification of Great Britain's time-honored naval policies. This phase of the electoral overturn is of most interest to the United States. But the MacDonald European policy will also differ sharply in many ways from the Baldwin-Chamberlain policy. It will aim at closer co-operation with the League of Nations, unconditional acceptance of the jurisdiction of the Permanent Court of International Justice, larger intercourse with Russia, more cordial relations with Germany and a relaxation of the intimate co-operation with France, which had become the keystone of Sir Austen Chamberlain's Continental diplomacy. Spain and Italy will probably regret the change of ministry in London most, for a Left government in Great Britain will naturally sympathize more or less with Left governments elsewhere and be a little colder to régimes like those of Rivera and Mussolini. The Cartel of the Left in France may also be encouraged to reorganize as a sequel to Labor's triumph in England.

But these effects in Europe will remain largely psychological except in so far as they conform to the purposes of Lloyd George, in whose hands will remain the power of life or death for this second stop-gap Labor government.

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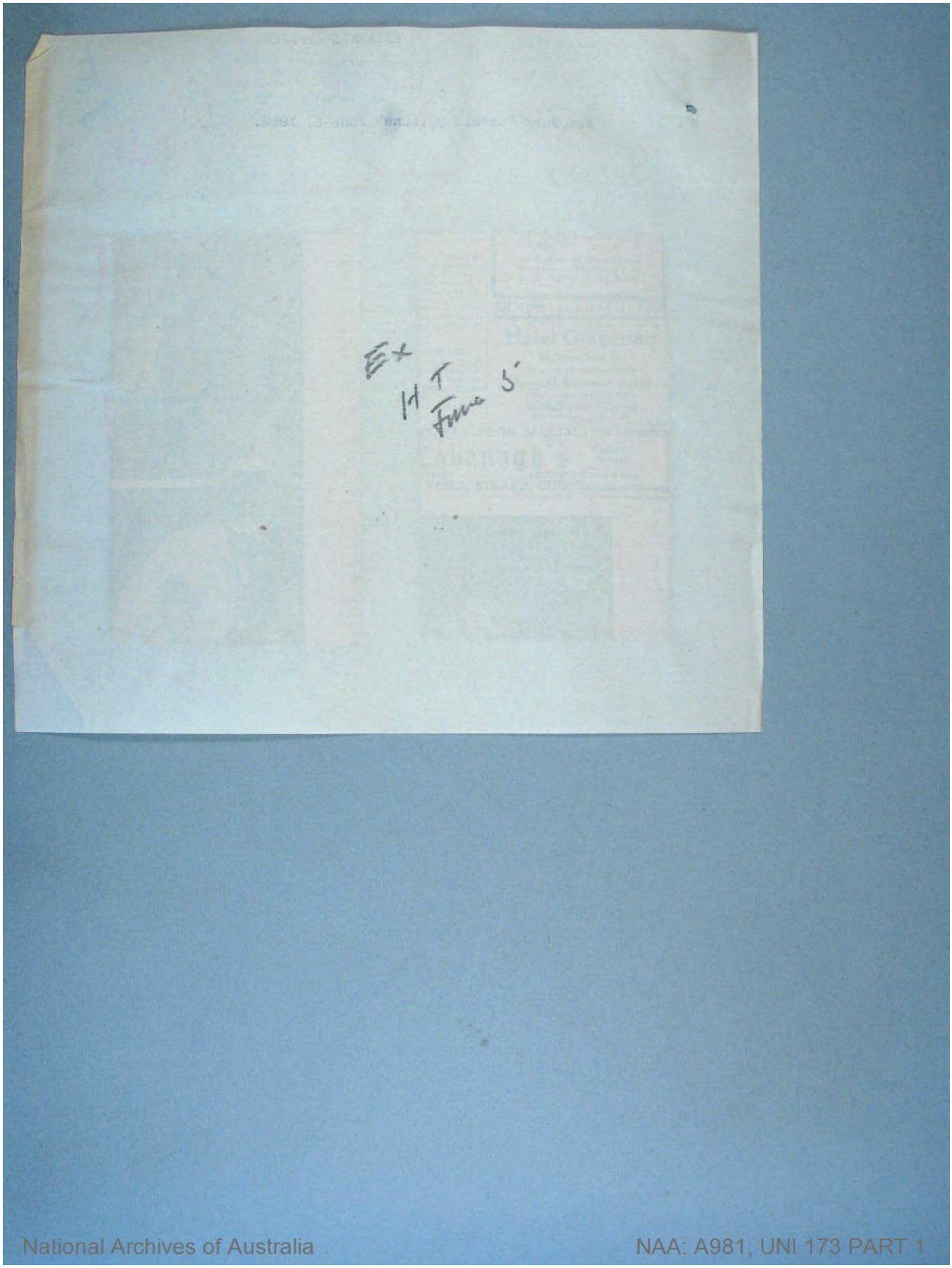

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NORTH AMERICA. April 22, 1929.

CONFIDENTIAL. SECTION 1.

[A 2799/12/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(*Received April* 22.)

(No. 725. Confidential.)

Sir, *Washington, April* 12, 1929.

HAVING read with great interest your despatches No 390 of the 5th March and No. 430 of the 15th March regarding the attitude of Mr. Hoover towards great Britain, I consulted with the commercial counsellor of His Majesty's Embassy, who during the last eight years has, in the course of his duties and in connexion with many matters, such as the rubber controversy, the radio-telegraph conference, visits of British business men and Labour leaders, chamber of commerce meetings, had many opportunities of seeing the President. He has also been in constant touch with Mr. Hoover's closest friends in the Department of Commerce during those years. Sir John Broderick's opinion is, therefore, of particular value, and I venture to quote at length the views which he has at my request set down. I may say that these views confirm those which my own experience had led me to form.

2. Sir John Broderick writes :—

"I have never formed the impression that Mr. Hoover was rabidly anti-British. He is, perhaps, more thin-skinned than a public man has any business to be. He never forgets a personal slight or a criticism directed at his sense or his sincerity. Sir A. Balfour is right in believing that the criticisms levelled at him in England during the early war period have not been forgotten, and it is equally true that, during the rubber controversy, he felt that insufficient weight was given by His Majesty's Government to his position and his views. He thought that Sir Josiah Stamp should have kept out of the American farm relief controversy, and he had no patience with the reiterated opinion of Sir George Paish that the solvency and survival of Europe required fundamental changes in the American fiscal system. It must be admitted, then, that the President has no love for certain individual Britishers nor for certain British policies, and it may be that these men and things formed the subject of his conversations with Signor Pirelli and other foreigners, but we have it on the authority of close friends of his (*e.g.*, Donovan, Clarence Woolley of New York, Archie Shaw of Chicago, Chris Herter, his former private secretary, Julius Klein, and many others whom I could mention) that he never lacks a friendly word when the general relations between the two countries are being talked about. Baron de Cartier's report of the President's feelings towards Britain is, I should think, far more significant than anything Sir Arthur Balfour or Signor Pirelli may have had to say. The President *is* an intimate friend of Baron de Cartier and why should he go out of his way deliberately to deceive him.

"We need not doubt that the new President will give all the support he can to American enterprise abroad. In particular, he will try to encourage Latin American countries and, probably, European countries like Poland, Greece, &c., to look to the United States rather than to Britain for financial accommodation (within limits) and for financial advice. In that regard, Mr. Hoover will only be continuing a policy inaugurated by others, and if it can be called an "economic offensive," then the "offensive" is already in full swing. Both the Foreign Office and the city must be fully aware of what is happening, and they probably feel that it is better that those countries should have sound advice from some quarter rather than leave their finances in a disordered condition. In the long run, however, the United States stands to make relatively large gains in trade with those countries unless Britain can participate more largely in the export of capital and of advisers.

"It is rather too early to predict either the economic or political results of the President's recent tour in Latin America. In that connexion much will depend on the course taken by the Congress in the forthcoming tariff revision. Should the Congress, for example, place further obstacles in the way of Argentine or Cuban exports to this country, Mr. Hoover's goodwill work in those countries

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may easily be undone. British exporters, I understand, are alive to the immediate advantages they might derive from a strong reaction of sentiment in those countries. I only hope they will go about the business quietly.

"Sir Victor Wellesley's views about an economic offensive are very much to the point. The United States is still a long way from the efficient co-ordination that characterised the German industrial, financial and commercial organisation before the war. Really effective co-operation here between separate industrial units is still difficult because of uncertainties regarding the application of the anti-trust laws. The clearing up of that matter will probably be another contribution which Mr. Hoover will attempt to make towards the promotion of American export trade. Meanwhile, we should remember that the Americans are unquestionably becoming more efficient in foreign trade, and that their rate of improvement is likely to increase in proportion as foreign outlets become more and more essential for their surplus industrial production. They will be favoured, as I have said, by whatever preponderance the United States may achieve as the source of capital accommodation as well as by the fact that in many of their principal industries (steel manufacture, &c.) their manufacturing units are already relatively large and financially powerful. They have larger reserves for risk and experiment than we have. It is all to the good that Sir Arthur Balfour realises this so clearly. What he forgets, perhaps, is that Britain is the second best market for American exports (Canada having taken the first place within the past few years), and that the President, therefore, must have a practical interest in Britain's economic fortunes."

3. Since the above was written, Mr. Lamont, the new Secretary for Commerce, who is of very recent Scottish descent, and very friendly towards great Britain, has told Sir John Broderick that Mr. Hoover's sentiments towards our country are "very cordial." It is, perhaps, a good sign that the President's choice for the head of the Department of Commerce, whose work is likely to continue, as in the past, vigorously to promote the expansion of the foreign commerce of this country, has fallen on a gentleman of friendly disposition and recent Scottish ancestry. The Cuban Ambassador, who is very much *au courant* of what is going on, has, moreover, told me that he believed the present Administration would be found to be much more actively in favour of co-operation and friendly relations with Great Britain than the last. Finally, it is of interest to note that, after his interview with Mr. Hoover early in March, Sir Arthur Balfour himself wrote to the commercial counsellor to the effect that he found the President better disposed towards our country than he used to be, and older and less inclined to act hastily.

4. Personally, I do not believe Mr. Hoover will initiate an intensive economic campaign specifically directed against Great Britain. He will, however, continue actively to encourage the economic growth and development of the United States, both internally and externally, and he will not be deterred by the fact that this legitimate development may damage British interests, except in so far as damage to British interests may, in turn, react unfavourably on those of his own country. As to the President's sensitiveness to criticism, it is, perhaps, well to remember that (as it has been put to me) "he is weakest on the side of temper." Up to the point where his anger is aroused, however, he is likely to take a broader view of affairs than his predecessor in office.

5. It is, of course, early to form any definite idea about Mr. Hoover. But there is, at least, plenty of evidence to prove that it would be quite wrong to assume that he is anti-British until his acts as President have established that he is so.

I have, &c.

ESME HOWARD.

National Archives of Australia NAA: A981, UNI 173 PART 1

The Daily Telegraph USA 4
11-5-29 Relations with G.B

OUR "RIGHT" OF BLOCKADE.

MAINSPRING OF NAVAL RIVALRY.

AMERICA AND BRITAIN'S "NEXT MOVE."

MORE WARSHIPS THE ALTERNATIVE.

By PERCY S. BULLEN,
"Daily Telegraph" New York Correspondent.

[This article is mainly the private diary record of an Englishman long resident in America and in the closest contact with "official" and public opinion in the United States. Since it was despatched—as he explains in his second paragraph, which was sent by a later mail, and is interpolated at his request—a more friendly atmosphere has been created by the Conference at Geneva.

Nevertheless, although Anglo-American relations have happily become less "menacing," to quote his own words, than they were a few weeks ago, a useful purpose may well be served by this frank revelation of the American mind on matters still in conflict between the two countries.]

Such value and interest as may be attached to this article are derived from the fact that it was not written for publication. During the last twenty-five years I have kept a diary, and the following entry was made on April 21 after a week spent in Washington gleaning information on all sides. It deals with the growing Anglo-American rivalry and sets forth views very strongly held in Washington regarding its solution.

But I should explain now that, since these diary entries were made, the atmosphere has been greatly improved by the meeting of the Preparatory Disarmament Commission at Geneva. Hope is renewed that an important step has been taken toward naval reduction on a basis acceptable to both sides. From this step to a consideration of the major problem involved by England's traditional policy of blockade and America's demand in behalf of neutrals may be a long way, but it seems to-day, I think, measurably nearer.

THE "RAGE" FOR PEACE.

"Washington, April 21.

"Anglo-American relations have becor exceedingly unsatisfactory—even menacir This is due chiefly to the naval armamer controversy. In America there is a 'rage' for peace and also a most ardent desire to keep out of 'another European mess.'

"America will come to terms regarding naval matters either by friendly agreement or a competitive construction programme. In the latter case it is suggested England might go bankrupt, and even the United States would suffer disastrously. America, with a population of 120,000,000 and wealth much greater than the British, feels that she stands to lose the least.

"The crux of the difficulty is England's claim to the 'ancient right of blockade.' America will not accept this idea—she never has accepted it. This country now has the power and apparently the will to stand for the rights of neutrals in war. This was shown recently in the cruiser-building legislative programme at Washington. America declares she wants a fleet equal to England's to 'defend neutrality' effectively. This was the inspiration of the Washington Conference in 1922. America failed there, and also failed at Geneva last year. Now she claims it is not her turn to make the first move, but England's! I understand Washington will not make the first move, nor is there any chance during Hoover's first term as President of the United States joining the League of Nations.

THE PRESIDENT'S HOPES.

"To President Hoover the naval impasse is thoroughly exasperating, and he is very deeply concerned. A strong [illegible] ideas of [illegible] he wants to increase the standards of living in America [illegible] than anywhere [illegible]

Hoover hates the idea of cash going into navies. He does not want ships to carry guns, but ships to carry goods. What is to be done?

"President Hoover is intense in his desire to settle the naval squabble, but holds to the policy of his predecessors, Harding and Coolidge. He endorses Coolidge's 'Armistice Day' speech, and is credited with the belief that it is England's turn to move next. Either England must abolish her ancient blockade claims or America will go on building battleships 'to beat the band.' The people are wholly against this idea, but a nation of traders is keen on the rights of neutral commerce in war. The United States will not yield these 'rights' as they see them. The chief idea of an American Navy is to uphold them.

"Japan, with its ability to seize the Philippines, also counts, but you don't hear much about Japan in Washington—it's all England! The tragic thing—the really pathetic thing for those who know America—is that England as viewed here tends to regard America as 'imperialistic,' and thinks that her naval policy is directed against England's place in the world!

"There seems a prospect sometimes of America being established in the English mind as 'the Germany of 1914!' Anglo-American relations are not good, and, unless improved, will become worse. 'Hands across the sea' speeches made by Pilgrims don't alter the facts.

ANXIOUS FOR A PARLEY.

"The way out, I am told, is for England to make the next move for a naval parley, which should precede the Washington Conference of 1931. It is well worth while. The solution, Washington thinks, should be a compromise. England should not hold to the ancient 'rights of blockade,' and the English people should unlearn the prevalent idea of America's 'imperialism.' That idea is criticised as 'absolute bunk.' With the blockade rights discarded, or greatly modified, the way will be paved to a settlement and naval reduction.

"The alternative is endless controversy, irritation, charges and counter-charges, and naval building. The idea here is to give the statesmen and the people a chance—never mind the rear-admirals and the strategists until the political principles are revised and settled to meet modern requirements.

"In any case, it is argued here, England, in any future war, could not uphold a naval blockade as in the days when the British Navy was supreme. The air is now almost as important as the sea. Why not, then, yield the right to blockade, and so remove the cause of the naval controversy? It is also urged here that England has most to gain nowadays by respect for the rights of neutrals, because, with only a few weeks' supplies of foods on hand, she could be forced into a position of the gravest danger, unless the rights of neutrals are conceded.

"Hoover knows England and Europe better than any predecessor in the presidency, and nobody in Washington more deeply deplores the present situation. Any proposal from England for a new naval parley would probably strongly appeal to him."

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17.VI.29

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RIVALRY.

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"To President Hoover the naval impasse is thoroughly exasperating, and he is very deeply concerned. A strong man with big ideas of 'the new life,' he wants to increase the standards of living in America—higher than anywhere else already—and also to increase wages and to 'abolish poverty.' He has a big programme for internal developments, conquering the 'Mississippi danger,' and making 'more and better homes'—real homes. This requires economy and money. That it is England's turn to move next. Either England must abolish her ancient blockade claims or America will go on building battleships 'to beat the band.' The people are wholly against this idea, but a nation of traders is keen on the rights of neutral commerce in war. The United States will not yield these 'rights' as they see them. The chief idea of an American Navy is to uphold them.

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"United States Daily"

MAR 27 1929

USA - GB 3

Offer to Purchase British Possessions In America Favored

Sinking of Ship by Coast Guard Creates Opportunity For Deal, Says Representative Fish.

If Great Britain makes a serious incident of the sinking of the British schooner "I'm Alone" by a Coast Guard patrol, it would be opportune for the United States Government to offer to buy all the British possessions in the Caribbean Sea as a partial liquidation of the World War debt, Representative Fish (Rep.), of Garrison, N. Y., said in a statement discussing the incident.

He said that he believes the British Government will not make a serious issue of the sinking, which he said involves the issue whether the United States has the right and power to prevent smuggling into the United States under foreign flags.

The full text of the statement follows:

The merits or demerits of prohibition are not involved in the incident. The plan issue is whether the United States has the right and power to prevent smuggling under foreign flags and to protect our laws from the criminal element of friendly nations.

Check to Smuggling Forcast.

Our Government has been more than patient with ships flying foreign flags, which have been for years past carrying on an illicit and unlawful commerce in rum, narcotics and aliens. It is very evident that the new Administration intends to make a determined attempt to prevent smuggling, and the action of Congress in appropriating $250,000 for an investigation of law enforcement was not aimed to apply solely to prohibition enforcement, but to smuggling of narcotics, aliens, and the enforcement of all our laws.

Ample evidence proves that the alleged British schooner, "I'm Alone," has been engaged for considerable time in smuggling operations from British ports in Central America and the West Indies. If the "I'm Alone" was within our 12-mile limit, in accordance with the recent treaty, and refused to submit to search, our Coast Guard was well within its rights in pursuing and sinking the ship. If it is true, as indicated by some of the reports, that part of the cargo was narcotics it would not have been too harsh a treatment to have sunk the ship with the crew, for people who smuggle narcotics are human fiends and should be classed with murderers.

The American public has had its patience exhausted as regards technicalities in dealing with the smuggling of aliens, narcotics and rum under foreign flags and is particularly incensed that English ports off our coast and in the Caribbean Sea are made centers for such illicit traffic, in utter defiance of the laws of our country and disregard of international amity.

Would Buy Territories.

If Great Britain takes this sinking of a smuggler schooner seriously and attempts to raise an issue, it would be an opportune time for our Government to make an offer to buy all the British possessions in the Caribbean Sea, including the West Indies, Belise in British Honduras, and British Guiana in South America, as a partial liquidation of the war debt. British ports off our coast are infested with smugglers who are bound to cause increasing irritation and friction between Great Britain and ourselves. All these British possessions are within our sphere of influence, both commercial and geographical. The logical and natural extension of the Monroe Doctrine calls for the elimination of all European possessions in the Caribbean Sea, where they are of little commercial value, but can always be used as naval, submarine, and airplane bases against the Panama Canal.

Our ties of friendship with Great Britain are far too strong to be disturbed by such an incident as the sinking of a smuggler's ship, but it is time that all European governments begin to realize that we will no longer tolerate the criminal element of friendly nations to wrap themselves up in foreign flags for the purpose of abusing and contemptuously violating our laws.

As long as the British ship was within the 12-mile limit, the Coast Guard officers were well within their rights and the only criticism that can be made is that when they were refused permission to search that they did not open fire sooner and compel the smuggler to heave to or be sunk immediately. If the boat was outside of the 12-mile limit when first ordered to heave to, our Coast Guard officers, in their zeal, may have exceeded their powers, but at that no serious objection could be raised by Great Britain, which during the World War seized neutral ships on the high seas on the very suspicion of the ultimate destination of the cargoes to enemy countries.

America proposes to respect the freedom of the seas and the rights of maritime nations, but is determined that American rights and laws shall not be flaunted and ravished on our very shores under the protection of foreign flags.

National Archives of Australia NAA: A981, UNI 173 PART 1

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NORTH AMERICA. March 12, 1929.

CONFIDENTIAL. SECTION 2.

[A 1799/12/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received March 12.)

(No. 405.)

Sir, *Washington, February 28, 1929.*

I HAVE the honour to forward herewith copy of a despatch addressed to me by Mr. Consul-General Gerald Campbell, of San Francisco, regarding the alleged existence of violent Anglophobia in this country.

2. I am glad to be able to concur in a more general way with Mr. Campbell's diagnosis of public feeling in San Francisco and the surrounding district. So far from there being any widespread anti-British feeling, it has been my reading of public sentiment towards Great Britain in this country that, apart from the Capitol and the offices of certain newspapers, there has been a marked improvement in this respect throughout the country since I first came here as a visitor about thirty years ago. Even the tone of the State Department and the other Government offices towards this Embassy seems to have changed for the better since I was at this Embassy from 1908–10. It is difficult to give definite examples of this; I fear, indeed, my opinion in this respect is merely intuitive and the result less of any positive facts than of a sense of the general atmosphere.

3. There can be no doubt, however, that the attitude of certain organs of the press continues definitely hostile and malevolent, and that feeling on Capitol Hill, especially in the Senate, has run high during the debate on the Cruiser Bill, when Great Britain was depicted by one speaker after the other as not only a possible, but even a probable, antagonist. It may well be feared that, if no satisfactory arrangement for the limitation of naval construction can be reached, the Big Navy party will do their utmost to propagate serious anti-British feeling throughout the country, and may ultimately succeed in fanning it to white heat. At present, however, it is, unless I am quite mistaken in my diagnosis, still only in the state of a half-smouldering ember, which, with care, may be reduced to an almost negligible quantity.

I have, &c.
ESME HOWARD.

Enclosure in No. 1.

Consul-General Campbell to Sir E. Howard.

(No. 29.)

Sir, *San Francisco, February 21, 1929.*

I HAVE the honour to report that I cannot find in San Francisco or its neighbourhood any widespread anti-British sentiment such as is stated by returning travellers to exist in some of the eastern States, or such as is made the subject of a recent bulletin of the Foreign Policy Association, entitled: "Anglophobia and the Cruiser Bill." It is only natural that those who listen or read should talk amongst themselves, and that some, including, unfortunately, certain self-constituted leaders of round table study, should be influenced more than others, even though they may be amongst the first to declare that they never can trust what is published in the newspapers; but the general feeling seemed to me to be aptly epitomised by a local banker, who upon advising me to read an article in the "Literary Digest" of the 9th instant, devoted to Mr. Ramsay MacDonald's "Open Letter," remarked that he could see no basis whatever for war, or even threat of war, between the United States and Great Britain, unless statesmen, politicians and editors insist on talking and writing themselves into a state of mind from which war can be the only outlet.

2. It can commonly be said of Californians that they pay little heed to the affairs of the outside world, except the Orient, either because they are too far removed or because they are too busily occupied with money-making; but, leaving on one side

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the representatives of "big business," who airily opine that the removal of the commercial strength of Great Britain is bound to lead eventually to war with the United States, I can none the less trace an eagerness amongst both men and women to learn each side of the controversies of to-day, so that they may judge for themselves whether their Senators and newspaper editors are correct, and whether any controversies worthy of the name do actually exist.

3. The women of San Francisco have recently been afforded at least two opportunities of indulging in any animosity they may harbour towards us, namely, the lectures given by, and the social entertainment provided for, Mr. Richard Washburn Child and Mme. Sarojini Naidu. But, while they admire the personality of each, I have heard only expressions of disappointment and disgust that an ex-American Ambassador could publicly prophesy war with Great Britain, not in the near future, because, as he expressed it, the men who fought in the World War are now coming to take their part in national and international affairs, and will have nothing more to do with this method of settling disputes, but in the days to follow after that when the last World War will have been forgotten; as to the Indian lady, the general opinion seems to be that she may be a clever poetess, but that she would do well to confine her efforts to poetry and leave politics alone.

4. On the other side of the picture is the genuine interest and pleasure taken in the presentation of English plays by English companies during the last two months. A year or so ago Mr. Archibald Flower, of Stratford-upon-Avon, came here to determine whether Californians are so entirely devoted to jazz that a season of Shakesperean plays would prove a fiasco. He went away undecided, but the answer eventually came to him with particular force when the Stratford Players opened a two weeks' season at Christmas time, and played to full and appreciative houses at every performance. After a brief interval they were followed, first by an English company, giving the "Beggar's Opera," and then by Mr. D'Oyly Carte's Opera Company, in a three weeks' season of Gilbert and Sullivan operas. The popularity of this last-named company reached its zenith on the closing night amidst scenes of enthusiasm almost unparalleled in the theatrical history of San Francisco, and when, finally, Mr. Henry Lytton, who had won all hearts by his artistry and unassuming demeanour, led his fellow artistes in singing the American National Anthem, the joy of the audience knew no bounds. It has become almost embarrassing to hear the tributes which are being paid to the work and character of these companies and the country from which they come, while many volunteer the remark that such visits as these do more to foster friendly relations than any number of speeches, articles or books.

5. After this statement it comes as something of an anti-climax to hark back to my previous observation to the effect that men and women are eager to learn both sides of the controversies of to-day, and for me to adduce, as evidence thereof, the number of invitations which I am receiving from all sorts and conditions of organisations, both in and out of the city, to speak to them in view (as one correspondent puts it) of "the necessity for the largest understanding and the best feeling between our two nations"; but such is the case, and it is physically impossible for me to accept them all.

6. I venture, however, to refer to one meeting which I was invited to attend at the University of California in order to lead a frank discussion of Anglo-American problems, and, when I arrived, I found myself in the company of about fifteen professors, comprising the present president, Dr. W. W. Campbell, his predecessor, Dr. Barrows, and the deans of the various schools. The meeting occupied four and a half hours, and so friendly was the attitude of all present that I made bold to plead for the adoption of a higher tone in the course in journalism, which is a separate part of the university curriculum. I pointed out that we had, as a result of our discussion, eliminated Governments, naval and military leaders and capitalists from the desire, or even from the ability, to recur to the use of force for the future settlement of disputes, thus leaving public opinion, which is so easily influenced by the press, especially in times of patriotic emotion, as the deciding factor in any wish for peace or war. I included every country in my criticism of the methods adopted by the press, but it is not in every country that journalism is made a separate course for graduation, so I appealed to the University of California, with its 10,000 students, to take the lead in this matter, and, as time goes on, it may be that the newspapers will pay higher salaries to men who have passed the test in this particular course. My suggestion was well received, but I am not very sanguine as to the result, because I soon saw that the university professors, like practically all other Americans, deride the influence of their own press, and aver that the ravings and

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diatribes of journalists, who thrive on sensationalism, need not and should not be taken seriously; but I notice that these same men pay attention to articles published in British newspapers criticising American methods and actions.

7. In this connexion I beg to enclose herein copy of a leading article published in a recent edition of the San Francisco "Chronicle,"* commenting upon the "rebuke" administered by Mr. Mackenzie King to the leader of the Conservative party in the Parliament of Canada. The paper which published this article is more friendly inclined than some of its contemporaries, but it often lends its columns, especially in the Sunday edition, to publicists, who are evidently trying to build up the American nation on the shortcomings of every other people, especially ourselves, and, in order to do this, they are only too ready to adopt false or inaccurate premises on which to base their arguments. Those who write for the Hearst papers are still worse offenders in this respect, and it may be too much to hope for any change in their habits, although those in close touch with Mr. Hearst inform me that they believe him to be as sincere, as a man of his type can be, in his inclination towards more friendly, or perhaps less hostile, sentiments in respect to Great Britain. As your Excellency is aware, he now advocates "an agreement, on an equal basis, of English-speaking peoples to preserve peace between themselves and to promote the peace of the world, but no minority representation in foreign leagues."

8. Although it has no apparent connexion with the subject of this despatch, it is of interest to remark that his friends observe Mr. Hearst's ever-growing attachment to the west, and to his ranch at San Simeon, and they prophesy that, with his financial condition vastly improved, he will doubtless make this ranch his headquarters, connecting it by direct telegraph and telephone wires with all the cities in which he has interests.

9. I have purposely left to the last all reference to the illness of the King, but the reasons detailed above for my belief that the majority of the people in this region are, at heart, friendly disposed towards us are as nothing when compared with the genuine distress and sympathy manifested by all classes during the time that His Majesty's life was in danger. Much of this was personal, for they took pride and pleasure in the thought that they were sharing our regard and affection for their Majesties and the members of the Royal Family, but during the long period of uncertainty the opportunity came for all and sundry to take stock of their feelings towards our nation, and it is hard to believe that they were unkindly.

I have, &c.

GERALD CAMPBELL.

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* Not printed.

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OFFICE OF THE HIGH COMMISSIONER
FOR THE
COMMONWEALTH OF AUSTRALIA.

DEPARTMENT OF EXTERNAL AFFAIRS,
2, WHITEHALL GARDENS.
LONDON, S.W.1.

LON.1219.

28th March, 1929
(Due to arrive Canberra 27.4.29)

Dear Sir,

ANGLO-AMERICAN RELATIONS.

I enclose copies of Mr. John W.Davis' article "Anglo-American Relations and Sea Power", from "Foreign Affairs" for April 1929, which has attracted considerable attention.

I am,
Your very truly,

The Rt.Hon. S.M.Bruce, C.H., M.P.,
Prime Minister of the Commonwealth,
CANBERRA.

30.A.29

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EXTRACT FROM "FOREIGN AFFAIRS" of April, 1929.

ANGLO-AMERICAN RELATIONS AND SEA POWER

By John W. Davis

All Jeremiahs to the contrary notwithstanding, it may well be doubted whether the fundamental relations between any nations in close and constant contact have ever been more satisfactory than those now existing between the United States on the one hand and Great Britain and the British Commonwealth of Nations on the other. More than that, there are fewer real causes of friction between them today than at any time in their common history - the years of their joint particiation in the Great War alone excepted. Broad as these statements may appear, it would not be hard to justify them by a historical survey did space permit. Speaking only of the present, however, let us remind ourselves that all boundary disputes are ended, no territorial questions disturb us, and no claims against one another (either by the respective governments on their own behalf, or on behalf of their nationals) are clamoring for settlement. The debt incurred during the war has been adjusted upon terms mutually agreed upon after full and fair conference; and while no responsible statesman should foreclose the possibility of a reconsideration in the light of future events, no one seeks a further discussion at this time. Even the delicate question of the enforcement of our prohibition laws by search and seizure beyond the three-mile limit has been solved by generous concessions to the American point of view, although it is rumoured that here and there contraband supplies occasionally leak in nevertheless.

Commercial and industrial competition between them is more or less acute, but no more and no less so than between any pair of rival merchants; and the disagreeable things said or done in the course of trade are no more justified, and no more disagreeable. After all, one should not be surprised at a certain jostling and shoving in the scramble of the market place. So far as the trade between them is concerned, it is obvious that the relation of buyer and seller is of the greatest possible economic value to both - a value exceeding that to be found in any other quarter. Here are the figures for 1927:

	Combined figures of U.S. export and import trade	Per cent of total U.S. export and import trade
Canada	$1,311,000,000	14.4
United Kingdom ..	1,198,000,000	13.5
British South Africa & British Malaya	330,300,000	3.6
Australia ...	197,700,000	2.1
British India ...	194,300,000	2.1
	$3,231,300,000	35.7

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1928 will tell a similar story. Our best customers are, and promise for an indefinite period to remain, Canada and the United Kingdom.

In the domain of the mind, interchanges between scientists and other workers in the field of knowledge are constant; we observe and take full advantage of each other's political and social experiments; our capitalists, financiers and leaders of labor are in intimate contact; there are cultural stimulations one from the other in art, drama and letters; and many valued personal friendships add their fragrance to the whole.

Yet for some years the impolitic question has been repeatedly put on both sides: Is the friendship proof against every strain? And if not, what will be the consequences and how and to what extent is it prudent to prepare against that day? The question "Are you or are you not my friend?" is always a stupid one, for it demands an analysis of the unanalysible. To the imaginary interlocutor who asked, "Is it still the same between us?" Stevenson replied, "Why, how can it be? It is eternally different; and yet you are still the friend of my heart." And to the further question, "Do you understand me?" - "God knows; I should think it highly improbable."

In the Anglo-American instance the answer to the hypothetical question is particularly difficult because, at bottom, it depends not so much upon the behaviour of the parties in their direct relation, as upon their attitude conditioned by the behaviour of a future enemy of one or the other. The possible consequences, military, economic, political and social, of a war between the United States and Great Britain or the British Commonwealth are so appalling that no man can sanely contemplate them. Discussion which proceeds on the basis of averting or preparing for such a war starts with a false and hurtful premise by assuming that which public opinion should be educated to exclude and not to include in its reasoning; as indeed in the case of Canada our public opinion already does. Statesmen on both sides would do well instead to direct their own and the public's attention toward the strain that may come when a third party is at grips with either, and so to strengthen our relations that it may be proof against the stress of that event. Unfortunately there are many utterances on the subject by those who are neither statesmen nor near-statesmen, and these are not altogether harmless. Like the railings of a nagging spouse, they create a reciprocal frame of mind.

No sane man, I repeat, who considers the consequences of a war between the two powers, will urge courses which are calculat ed in the most remote sense to increase its possibility. It is not my purpose here to conjure up in detail the destruction to the political and economic welfare of each country, the disintegration of the ties of our common civilization, the sudden apparition of those hideous forces which lurk under the repression of organized society,

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and the physical and moral degradation which would result. Neither prospective combatant, it must be remembered, is made of the stuff that easily yields. Yet no American who truly loves his country could lightly contemplate a victory which left her in the position occupied in the ancient world by Rome; and short of victory by one or the other nothing would be settled.

If the sort of sermonizing in which I have thus permitted myself to indulge has no other usefulness, it may help to turn the discussion into more fruitful channels. Something may be gained by coming from the general to the particular and considering those specific matters which seem most likely to tax the friendly feelings of the two peoples. At the moment, these appear to be three in number: First, commercial rivalries in Latin America, the Far East and elsewhere, and the struggle for raw supplies. Second, the running sore of the unpaid debt, which recurrently recalls to each Briton, as often as he pays his income tax, our happier economic situation, and also the pressure which he has to transfer to his Continental debtors. Third, the problems, psychological, legal and technical, connected with naval power. On the first two it is not especially profitable to dwell, for neither lies at present in the field of debate. It may be said in passing, however, that the rigors of economic competition will doubtless be mitigated, are being mitigated indeed, by private adjustments along practical economic lines rather than by political or official handling, and quite clearly there is no shortage of raw materials anywhere.

Naval policy offers a more promising field for investigation and action, and in the better atmosphere that would result from a settlement of one category of disputes the others would prove less aggravating and less dangerous. In this realm sober public discussion is doubly useful. It will educate the public, and the public may educate the governments, for the public has already learnt that governments have much to learn. The British public has shown itself fully aware of the miscalculations which led to the Anglo-French naval compromise. Washington doubtless has come to share the popular realization that the Three-Power Disarmament Conference failed because the ground has not been prepared and because the technique of international conference which has been developing since 1917 was wholly ignored. At the opening session of the Conference, a fully elaborated scheme, which obviously had not been the subject of mutual exploration and tentative consultation, was publicly thrown by each delegation at the head of the other; national prestige became involved; and after showing how the worst elements of both open and secret diplomacy might be combined, the Conference adjourned, with the general atmosphere much less friendly than if no Conference had been held.

Aside from a want of careful preparation, the cardinal weakness in that Conference was that questions of naval strategy were always to the fore,

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and emphasis on strategy always deflects policy; in fact, the naval "building" question, which is strategy, has continued to deflect policy ever since. It is policy which ought first to be determined, so that in the end it may control strategy.

This is not the prelude to an argument for another conference to "codify" or "state" war law or practice. When Senator Borah proposes a "restatement and recodification of the rules of law governing belligerents and neutrals in war at sea" he hastens to add, "on the basis of the inviolability of private property therein." There is no such accepted "law" as that; Senator Borah is dealing wholly with policy. To enter a conference on policy, having determined in advance and announced to your own nation what the outcome of the conference must be, is to make, with lawyers as agents, the same mistake that was made at Geneva through the admirals.

What then is the question of policy at issue? The position of the British Admiralty is simply this:

> We happen to be an island, and it is necessary to our existence in time of war to dominate the sea. In peace the sea is free to all in the world through our own policing of it. . . . What happens on the sea in war threatens our very existence. . . .If the claim were not made and upheld, then the freedom of England would perish utterly. . . .

Or as Lord Wester Wemyss is reported to have said:

> Every Englishman knows in a general way that his safety and even the national existence depend entirely on the navy, but he has the vaguest idea what a fleet does. Its chief power lies not in guns or torpedoes, but in the immemorial right of all belligerents to suppress entirely all sea-borne supplies of enemies on which the enemies' continued resistance must depend.

This position never has been willingly accepted by any other nation independent of Great Britain, and never will be except under force majeure. Jefferson's protest still holds good:

> Reason and usages have established, that when two nations go to war, those who choose to live in peace retain their natural right to pursue their agriculture, manufactures, and other ordinary vocation; to carry the produce of their industry, for exchange, to all nations, belligerent or neutral as usual; to go and come freely, without injury or molestation; and, in short, that the war among others, shall be, for them, as if it did not exist. One restriction on those mutual rights has been submitted to by nations at peace; that is to say, that of not furnishing to either party implements merely of war, for the annoyance of the other, nor anything whatever to a place blockaded by its enemy. . . . If any

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nation whatever has a right to shut up to our produce all the ports of the earth except her own, and those of her friends, she can shut these also and so confine us within our limits. No nation can subscribe to such pretentions.

The United States insists upon "freedom of the seas," but just how much freedom is not clear, for there are many shades of American opinion. Some want freedom of sea transit in time of war for all private property, of belligerents as well as of neutrals; some are for freedom for all neutral commerce; some would except munitions, or other forms of contraband, or make a class of conditional contraband; some would allow blockade, the doctrine of continuous voyage, etc., and in substance hold to Lord Stowell's rules. What all are agreed on is that there shall be rules, in the making of which the United States shall share, and that Great Britain shall not violate them when she is at war.

Here is the first weakness in the current discussion of the question. It is based on the wholly unprovable, indeed the unlikely assumption that in future wars Great Britain will always be a belligerent (of the traditional or "old-fashioned" kind) and the United States always a nuetral (again of the "old-fashioned" type). When wars come, if come they must in the future, who is so wise that he can foretell in what quarter they will arise or who will be the primary combatants? I shall revert to this assumption later.

Now the British conceive, and we in this country with our views of democracy are scarcely in a position to dispute the point with them, that all of their great wars in which they asserted a domination of the seas were those in which by opposing the aggrandizement of autocracy they were defending the liberties of the civilized world - the war against Philip II and his Armada, the long-drawn-out wars against Louis XIV and his successors, the life and death struggle against Napoleon, and the resistance in 1914 to a German military power which, whatever the causes of the war, would if successful have come to dominate all Europe. Their naval strength, and the rules (or absence of them) by which they give it the utmost effectiveness in time of war, seem to them no more than a natural protection to give to the great trading enterprise called the British Empire, or the British Commonwealth of Nations, whose security they identify with world peace. I have no intention of saying we should accept, or that I intellectually accept, such an identity; I say only that the British so conceive it and that after 340 years of history it is not unnatural that they should.

There is no occasion for resentment, therefore, if they turn to us and say: "When we were fighting Napoleon you went to war with us, oblivious to the issues involved in the great struggle, and quarreling over the means we used to make it successful. If the Germans had not taken the lives of so many of your citizens in the World War and had not

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so nearly succeeded in destroying your highly profitable trade with the Entente Powers, you might have come to blows with us again. Our position is precarious, as our existence depends upon overseas imports of food and overseas exports of our manufactures. How are we to maintain it, except by the means we have tried and found good? What other means are we to employ and what are to be the rules of the game? Define your own position."

Now, making the assumption which I deprecated above, viz. that Great Britain is to be an "old-fashioned" belligerent and the United States an "old-fashioned" neutral, what are the proposals which are possible in reply? One which has already become over-familiar is that there should be a "codification" of the decisions of Lord Stowell and other authorities, with nice definitions of search, seizure, contraband, blockade, continuous voyage and so on. This might at first seem attractive to the British civilian. But the attractiveness would gradually wear away as the British admirals, examining the definitions, pointed out how they would have hampered such and such an operation in the World War which they think contributed to its winning. No definition of contraband or of blockade would stand up with those operations as the standard.

A second is an agreement for the free transit of the seas in time of war for all property of every character owned by neutrals. This and more is what Congress has suggested in the Fifteen Cruiser Bill when it declared for a treaty or treaties "regulating the conduct of belligerents and neutrals in war at sea, including the inviolability of private property (all private property, presumably, whether belligerent or neutral) thereon." Is it probable that this would be accepted? Or would the British Admiralty, seeing in its imagination a ship chartered by Krupp's passing down the Channel in time of war between Great Britain and France, explode with Pitt's classical statement :

> Shall we allow entire freedom to the trade of France? Shall we allow her to receive naval stores undisturbed, and to rebuild and refit that navy which the valor of our seamen has destroyed? Will you silently stand by and acknowledge these monstrous and unheard-of principles of neutrality, and ensure your enemy against the effects of your hostility?

Is this as unreasonable as it sounds? Consider what we should do if the United States were at war with a southern neighbor, Cuba or Mexico, for instance, which was planning to raid the Panama Canal, and munitions and supplies were being shipped by neutrals from Halifax to Havana or Vera Cruz. Would we seize their vessels, if we could, off Cape Ann, and bring them in to Boston for search, or would we not? Perhaps the probability of such an event is so remote that we should be willing to agree upon a general rule, otherwise beneficial to us, even though it might involve the event and compel us to

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hold our hand if it happened.

That we may not be too quick with our answer to the instance given, and lest we fancy that our record alone is one of consistency on the law of the sea, let us turn to the minutes of the Second Hague Conference of 1907. At that conference the British Delegation announced that:

> In order to diminish the difficulties encountered by neutral commerce in time of war, the Government of His Britannic Majesty is ready to abandon the principle of contraband in case of war between the powers which may sign a covenant to this effect. The right of search would be exercised only for the purpose of ascertaining the neutral character of the merchant ships.

Twenty-five nations voted for the acceptance of this proposal. Four abstained from voting. Five voted in the negative; and these were Germany, France, Russia, Montenegro and - the United States. When the attention of the American Delegation was called to the vigorous letter of Secretary Marcy in 1856 on the question, they bluntly answered that America had learned much in the meantime and was following the policies of Roosevelt rather than those of Marcy. Tempora mutantur.

Every discussion of policy necessarily enters the field of probabilities. This is precisely the field for political thinkers, often called statesmen; it ought not to be left as a tilting ground for the admirals, who are so admirable on their own target-ranges. The whole crux of the matter lies in an effort to make it reasonably probable that in future naval conflicts, the fixed policies of Great Britain and the United States will cause their navies to work in harmony or at least not as potentially hostile agencies of policies diametrically opposed.

In the discussions of boundaries and armaments and occupied territories that have occurred since the Great War, we have grown accustomed to the talk of security as the thing which must first be sought, and without which no progress could be made. At every turn that idea has confronted us. We shall not escape it here. Let us suppose that Great Britain agrees to the inviolability of all private property in time of war but Germany or France do not. If Great Britain should then reduce her navy so that she could no longer protect her commerce from the surface-raider or the submarine of either power, could she reasonably expect the United States to join in the protection of that commerce or to abstain from trade with the belligerent? Or would we be likely rather to insist on this trade and use our navy if need be to protect it? The real problem, as the imagined instance shows, arises from Great Britain's exposure to risks which we do not share. She has developed - or believes that she has - a technical protection against those risks, a security of her own against all possible threats from an anarchic world. She can hardly be blamed for thinking that weapon

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necessary for her; others cannot be blamed for deeming it intolerable when used to prevent all the world from having relations with her enemies. But if she is to diminish or weaken that protection, is there nothing by way of inducement that we can or should do to lessen her risk?

I assume the readers of this article will see at once that this implies that the United States should take an active part in concerting measures for the prevention of war, and in compelling the observance of those rules which are designed to mitigate its destructiveness - in other words, that it should accept what the Treaty for the Renunciation of War may be said to imply, viz. that all the nations whose treaty is broken or threatened so to be, have a mandate to concert measures to prevent the breach or to repress it; that there must be introduced, in short, into the rest of the world the principle established for the Pacific area by the Four Power Treaty of 1921, that of "joint conference . . . for consideration and adjustment." The sequence of ideas is so natural as to be unavoidable; the breach of a treaty (the Kellogg-Briand Treaty) or the approaching probability of its breach is a cause of concern to all the signatories whose covenant is or is to be broken; the nations thus flouted may - nay, they must be expected to - consult together for the protection of their common interest; that common interest is the preservation of peace; consultation is idle unless it leads to a concert of measures of some sort - economic, diplomatic, or what not - of a cooperative character.

The resulting co-operation might or might not be spontaneous, and might at first be an ad hoc, world-wide activity not inherent in the League of Nations although germane to its purposes. One of its first consequences undoubtedly would be that of making neutrality under the assumed circumstances immoral. Governmental protection afforded to munition makers attempting to supply a country which had refused "the settlement or solution" of its dispute "by pacific means" would become an act of national wickedness, and would class the country with Dante's "caitiff choir" of angels who stood aloof from the struggle between God and Satan.

To return, then, to the theme of reducing the probabilities of conflict of policy between the two countries. If indications are given from responsible sources that in the event of constabulary action against a covenant-breaking state the navies of the two countries will act together, or at least that as a result of diplomatic consultation neither will be used to protect the trade, inbound or outbound, of an outlaw state, one area of possible conflict is greatly reduced. The directors of policy in each country would be brought to rely confidently upon the sympathy and not the opposition of the other so long as they used their navy sincerely in the interest of world peace and not as an instrument of selfish national policy.

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On the basis of such an understanding, however informal, it would not be unreasonable to expect Great Britain to agree that if she were engaged in an old-fashioned "private" war - a war, let us say, in which though she might not be the aggressor, it could not be clearly established nevertheless that her adversary had broken the Covenant of the League of the Locarno treaties or the Kellogg-Briand Pact - she would not attempt to interfere with the fullest freedom of sea transit by all nations not engaged in the war. This would be the policy she deliberately adopted at the outbreak of the Crimean War in response to representations from Sweden and Denmark. It is the policy to which for obvious reasons her mercantile interests have always leaned. Once adopted by the world at large, it would in the long run afford protection to herself. The danger she fears most is an attack in the narrow seas on her vital supplies, by submarines, aeroplanes or surface commerce-raiders dashing out from harbor and back again. Full freedom of the seas for neutral trade to her ports would protect her against such dangers, and bring the "neutrals" (if any there were) to the support of the principle in the event of its violation.

Surely this is the most hopeful line of progress. Efforts by strategists and technicians to translate naval parity into terms of guns and vessels may be expected to end where they have ended before. Unfortunately, in such matters - complicated as they are by geography, distance and national needs, as well as by national pride - mathematics alone will not serve us. The axiom that things which are equal to the same thing are equal to each other, no longer applies. Attempts by conference or by treaty to codify the law of the sea are well enough in their way, but if the world is today just what is was yesterday the welcome that has awaited previous attempts of the same sort is not encouraging. When the work of the codifier is done, the parliamentary gauntlet is still to run and the strain the work will bear under stress of war is still to be calculated. Behind both processes lies the question of the policy that guns and vessels and codes are designed to serve. Until there is some agreement there, we but treat the symptoms and not the disease.

In the world of yesterday, the dominant thought was national security against all comers. If the Covenant of the League, the Locarno Treaties, the Four Power Pacific Treaty, and the Kellogg-Briand Pact are anything more than idle words, the controlling idea today is world-wide peace against all disturbers. I am persuaded that a frank declaration on the part of the United States of its willingness to accept the implications and responsibilities which that ideal demands would do more than all else to convert it into a reality. At the least, it would shrink the whole naval controversy to its true proportions. It would reduce the probability of a

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collision between the navies of the United States and Great Britain to the vanishing point. And incidentally it would take away all support from those naval proposals which pretend to secure the sea commerce of each country against imaginary attack from the combined navies of other powers, whenever and wherever delivered; proposals comparable in their mounting extravagance only to those of the military men, who, as Lord Salisbury exclaimed, "would fortify the Moon against an attack from Mars."

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File No. ..... No. in File 3

EXTERNAL AFFAIRS.

SUBJECT:

U. S. A.

RELATIONS WITH GREAT BRITAIN

GENERAL.

645.

Last Paper

Duedin 1 V 29

Duedin 3 V 29

Duedin 3 Jun 29

Duedin 11 JUN 1930

1. Lon.1219 enclosing Davis' article on Anglo-American relations from Foreign Affairs April 1929.

This article is written in a different strain from most of those dealing with the subject and commences by stating the writer's opinion that it is doubtful whether fundamental relations between any nations in close and constant contact were ever more satisfactory than those at present existing between the B.E. and the United States. While there are certain conflicts of interests, there are also close affinities and important trade relationships, and it should be assumed that public opinion excludes from consideration all thought of war.

It then states the chief points of friction - (a) trade rivalry in Latin America; (b) the debt settlement; and (c) the Naval problem; and proceeds to deal with this last in detail. It states the British case for the maintenance for a Navy and the old idea of belligerent rights, and then proposes that the signatories to the Kellogg Pact must be expected to consult to their common interests in the preservation of peace and concerted action to that end. This brings him to the question of public ware in which U.S.A. claims for rights of neutrals could hardly be maintained and private wars in which the B.E. should agree to the freedom of the seas. He ends by contending that the United States must accept the responsibilities arising from the fact, and thus the probability of a collision will be reduced to vanishing point and the Naval problem will shrink to its true proportions.

2 2.0. Print N. America 12/3/29. Section 2 - despatch by Con.-Gen. San Francisco - no bar from any widespread feeling against G.B. There has been outside Congress a gradual improvement.

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NOT TO BE REMOVED FROM FILE

File No.....

No. in File 2

EXTERNAL AFFAIRS.

SUBJECT :

U. S. A. -

RELATIONS WITH GREAT BRITAIN.

G E N E R A L.

545.

Last Paper

1

Foreign Office Reprints, press cuttings, memorandum for the period 1927 (end of the Geneva Naval Conference) to 1929 (President Hoover's inauguration).

The last reprint, North America 5/3/29 Section 1, deals with the recent increase in the Congress of [redacted] will for Great Britain which it traces to Naval policy and then urges the necessity for an agreement.

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National Archives of Australia NAA: A981, UNI 173 PART 1

NOT TO BE REMOVED FROM FILE.

File No.....

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EXTERNAL AFFAIRS.

SUBJECT:

U. S. A. -

RELATIONS WITH GREAT BRITAIN.

G E N E R A L.

645.

Last Paper

1

Duedin 4.7.29

4.7.29

Foreign Office Reprints, press cuttings, memorandum for the period 1927 (end of the Geneva Naval Conference) to 1929 (President Hoover's inauguration).

The last reprint, North America 5/3/29 Section 1, deals with a recent increase in the Congress in ~~[illegible]~~ will for Great Britain which it traces to Naval policy and then urges the necessity for an agreement.

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3.

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NORTH AMERICA. March 5, 1929.

CONFIDENTIAL. SECTION 1.

[A 1592/30/45]

No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received March 5.)

(No. 364.)

Sir, *Washington, February 22, 1929.*

WITH reference to my despatch No. 328 of the 14th instant, reporting the signature by President Coolidge of the Bill for the laying down of fifteen 8-inch-gun cruisers in three years, I have the honour to enclose herewith extracts from an article issued in the "News Bulletin" of the Foreign Policy Association from the pen of Mr. R. L. Buell, the well-known journalist and writer on international questions. Mr. Buell is one of the group of advanced thinkers in the Foreign Policy Association and a strong supporter of a better understanding between Great Britain and the United States.

2. Mr. Buell begins by saying that when the cruisers authorised in the present Bill have been constructed, the United States will have thirty-three large first-line cruisers in comparison with twenty-six for Great Britain. But the total number of cruisers for the United States will be thirty-three, while for Great Britain it will be fifty-nine, and the tonnage figures will be 305,000 and 380,810 respectively. He points out that a number of the British cruisers were laid down before 1917, while all the American cruisers will have been laid down after 1918.

3. This difference in age, Mr. Buell says, "may be said to give substantial parity with the British Empire."

4. Mr. Buell goes on to say that one result of the cruiser debate in Congress has been to bring into the open a strong anti-British sentiment. A constantly repeated argument was that the United States must have a fleet large enough to protect its commerce, and obviously the only navy strong enough to threaten it is the British. With this statement of the Senate debate, I must unfortunately agree. In the eyes of practically every Senator, Great Britain was apparently the one possible rival and adversary. No doubt Japan was still in the thoughts of Western Senators, but was not ever mentioned so far as I am aware.

5. "As the debate continued I had a feeling that a number of Senators, who at first only attacked Great Britain and British policy because they thought that it was the only way to justify their vote in favour of the Bill to their constituents, had finally worked themselves up into a state of real hostility and antagonism to Great Britain and His Majesty's Government. Mr. Buell says rightly that there ran through the debate the insinuation that the United States had during the Washington Conference been tricked by Great Britain to sacrifice a number of completed capital ships in exchange for a sacrifice of blueprints, that Great Britain had begun the construction of "Treaty" cruisers after the Washington Conference, and so started the race in construction and forced it on an unwilling American people, that Great Britain at Geneva questioned the right of America to have 10,000-ton 8-inch-gun cruisers, and that finally the Anglo-French naval accord aggravated the whole situation, &c.

6. He goes on: "In fact, so strong has the feeling become against British naval policy that a sentiment is developing in Washington that the United States should terminate the provisions of the Washington Conference Limitation Treaty in regard to capital ships." This is, I fear, also true. "There is little doubt in my mind that the ending of that treaty is one of the main objectives of the Big Navy party, and that they will work for it tooth and nail. Unless the situation as regards naval construction improves before 1931, when the Washington Treaty comes up for revision, it seems not unlikely that that party may by propaganda and false insinuations so poison the minds of this people that the Big Navy policy will obtain an invincible hold on Congress."

7. Mr. Buell asks the question: "If ill-will exists between England and America, is it unfair to say that it is due to British naval policy?" He goes on to say that only a naval limitation agreement could end this ill-will. He is altogether against postponing an attempt to reach agreement until the "nebulous question of sea law" is settled, and comes out strongly in favour of the naval *status quo* between

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United States and Great Britain for a term of years. He adds: "If this agreement is not reached in regard to cruisers, the Washington Agreement in regard to capital ships may go by the board in 1936, and this would be an international calamity."

8. In an exceptionally able article in the "Saturday Review of Literature" of the 9th February, Mr. Walter Lippmann, editor of the "New York World," combats the idea expressed by Mr. Philip Kerr, in a previous one that an understanding between the two peoples can best be arrived at by persuading British and Americans "to adopt a common Anglo-American philosophy of history." This, Mr. Lippmann says, is not practical politics to-day. He also combats Mr. Kerr's support of the interpretation of the Kellogg Pact, that this only renounces national war and not international or League wars. After a long and able argument as to sea law, as understood by those following the traditional policy of Great Britain on the side of belligerent rights and of the United States on the side of neutral rights, both of which he argues are now completely obsolete, he comes out strongly in favour of an agreement for the *status quo*.

9. "I am satisfied," he writes, "that if Congress passes the Cruiser Bill, and if Great Britain accepts it as just, the naval competition can, with the display of some statesmanship, be ended then and there. If, on the other hand, Great Britain replied by ordering additional cruisers, the fat would be in the fire."

10. Mr. Lippmann finally disposes of Mr. Kerr's suggestion that the controversy over cruisers should be treated as secondary to the controversy over neutral rights. The settlement of the cruiser controversy ought to come first.

I have, &c.
ESME HOWARD.

Enclosure in No. 1.

Extracts from an Article Issued in the "News Bulletin" of the Foreign Policy Association.

WHEN the cruisers authorised in the present Bill are constructed, the United States will have thirty-three large first-line cruisers in comparison with twenty-six for Britain. If one includes small cruisers, the figures for the United States will be thirty-three, and for the British Empire fifty-nine. In tonnage the figures will be 305,000 tons for the United States and 380,810 tons for Great Britain. One should take into consideration the fact that thirty-three of the fifty-nine British cruisers were laid down before 1917 and hence will soon become obsolescent, while all of the American cruisers have been laid down since 1918.

In view of this difference in age the new Cruiser Bill, once carried into effect, may be said to give us substantial parity with the British Empire. When these cruisers are constructed, the United States will have twenty-three 10,000-ton cruisers, each carrying 8-inch guns in comparison with fifteen 10,000- and 8,000-ton cruisers for the British Empire.*

The second result of the cruiser debate has apparently been to increase, or at least bring into the open, a strong anti-British sentiment. Senator after Senator has declared that we must have a strong navy "to protect our commerce." Obviously, there is only one navy in the world strong enough to threaten it from the standpoint of peace time commercial rivalry or in time of war. The undertone of the Senate debate would seem to show that a large number of Senators believe that the United States was "tricked" by the British Empire at the Washington Conference into abandoning our supremacy in capital ships. Great Britain, on the other hand, not only retained her supremacy in cruisers, but after the Washington Conference began the construction of 10,000-ton cruisers armed with 8-inch guns. These Senators are further irritated by the fact that at Geneva in 1927 the British delegation took the position that, although the British Empire at present had only thirty-nine first-line cruisers afloat, it was necessary for it to maintain a total of seventy cruisers. They further do not understand why the British Government at Geneva should question the American demand to mount its cruisers with 8-inch guns when the British Admiralty had already done so in the case of its own 10,000-ton cruisers. The Anglo-French accord aggravated the situation. . . . .

In fact, so strong has the feeling become against British naval policy that a sentiment is developing in Washington that the United States should terminate the

* Only two of these are 8,000-ton cruisers, namely, the "York" and the "Essex."

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provisions of the Washington Conference Limitation Treaty in regard to capital ships. The first opportunity for raising this question will come in 1931, when, according to article 21 of the Washington Treaty, the United States will arrange for a conference of the signatories " to consider what changes, if any, in the treaty may be necessary to meet such developments." Apparently any changes under this article will require unanimous consent. But the treaty as a whole may be terminated after the 31st December, 1936, provided one of the parties gives notice two years before that date. Within one year of such notice the Powers shall meet in conference. If the United States does not denounce this treaty, it is possible that France, who has from the beginning been dissatisfied with its subordinate position under the treaty, may do so, with the result that the whole question of capital ship ratios will be reopened. . . . .

If ill-will exists, and there is little doubt but that it does in certain senatorial circles, is it unfair to say that this ill-will is due to British naval policy? . . . .

It would be folly to postpone an attempt to reach an agreement until after the nebulous question of " sea law " is settled. A naval agreement is imperative. The passage of the Cruiser Bill gives a practical basis for such an agreement. As pointed out above, that Bill gives the United States substantial parity with Great Britain. Let us then make a treaty providing for the naval *status quo* between these two countries for a term of years. Such an arrangement would obviate the necessity of working out an equation between 6-inch and 8-inch guns and other factors upon which it is impossible to devise a satisfactory formula.

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USA - GB

THE "TIMES" 27th March, 1929.

BRITAIN AND AMERICA.

U.S. AMBASSADOR ON OPEN DIPLOMACY.

THE PILGRIMS' DINNER.

The American Ambassador (Mr. Alanson B. Houghton) was the guest of the Pilgrims at a dinner held by them in his honour at the Hotel Victoria last night on the occasion of his relinquishing his appointment as Ambassador.

Lord Desborough, who presided, read the following telegram, which had been received from the Duke of Connaught, president of the Pilgrims of Great Britain:—

Express my deep regret unable preside farewell dinner Ambassador Houghton. My hope is that he is as sorry to leave us as we are to lose him.—ARTHUR, President.

The CHAIRMAN, in proposing the health of the American Ambassador, expressed the thanks of the society to the representatives of foreign countries who were present to show their feeling of respect and friendship for their colleague. The suddenness of the occasion had prevented the attendance of the Prime Minister and other important members of the Government. Their guest had taken a great part in promoting among peoples the will for peace, and among the Governments the habit of peace; and if their two countries—the United States with its 120,000,000 people, and the British Empire with its outposts all over the world—together with the other great nations who had signed the Pact, combined together in maintaining its articles, it would be impossible for another Armageddon to take place. They hoped to see Mr. Houghton again soon. (Cheers.)

MR. HOUGHTON'S SPEECH.

The American Ambassador, in responding, said:—

There are two outstanding moments in the life of every American Ambassador in London—the one when, on his arrival, he is welcomed by the Pilgrims, and the other when, on the eve of his departure, the Pilgrims gather to bid him good-bye. Four years ago you overwhelmed me by the generosity of your welcome. To-night, as these years among you come to an end and I rise, for the last time as Ambassador, to say a word of farewell, I find myself again overwhelmed by your friendly greeting. I have no words to thank you. That is beyond any powers I possess. But I beg you to believe that I do not fail in appreciation. The memory of this evening will remain with me always.

I rise, I said, to say a word of farewell. I find it not easy. No man can live among you and be the recipient of so many kindnesses, so many acts of consideration and courtesy and hospitality as have fallen to me, and go unmoved. Happy as I am to return to my own home and kindred, eagerly as I look forward to seeing the familiar scenes and faces which await me there, I cannot turn from the associations and friendships which have surrounded me here without emotions of profound regret.

TRIBUTE TO BRITAIN.

I feel they have enriched and deepened my life. As I leave them, I realize how great a privilege has been mine. I take with me only happy memories—not the least among them memories of your countryside. I know its haunting loveliness will come back to me again and again in quiet moments, and will call up from the depths of recollection fragrant and happy memories. But what I shall treasure most, I think, and longest, is the better knowledge and understanding I have gained of those great and enduring qualities which have made this people what they are—their deep and fervent patriotism, their sense of even-handed justice, their love of freedom and order, their instinct for public service of the highest integrity, their insistence on fair play, and their dogged and unconquerable courage. You carry, worthily, a great inheritance. I share your pride in it.

May I take advantage of this occasion also to speak of my official relations, and to say, in all sincerity, that throughout them I have met only frankness and good will? We have differed at times. There are two sides to every question, and the obvious fact is emphasized most abundantly, I have come to believe, where questions of national interests are considered. If these conflicting interests are to be fairly and justly reconciled, there must be an effort to understand the other's point of view and a willingness, where justice and common sense demand it, to modify one's own. That willingness, that effort, let me say, I have always found. And it has confirmed me in the belief in which I came, that no serious misunderstanding can long divide our peoples if approached in that spirit which is the spirit both of Britain and of America, the spirit of fair play. (Cheers.)

THE PEACE PACT.

My lord chairman, as I recall the events of the past few years I am impressed anew by the fact that, taken together, they represent a steady advance in the direction of a more permanent peace. After all, there are, as General Smuts said, only two ways in the world—the way of force and the way of understanding. Within the comparatively brief span of my own stay in Europe I have seen several momentous steps taken on the road to understanding, culminating in the signing of the Briand-Kellogg Pact. This pact, I believe, is the embodiment of a deep-lying movement among the peoples.

There are, of course, aggressive pessimists who claim it to be a mere platitudinous expression of good will which, in the face of actual events, must prove of no effect. I think they underrate and undervalue its significance. I believe with the British Prime Minister that the pact is an opportunity for a fresh start. I believe it records a definite change of attitude and outlook and marks the opening of a new era. In that sense, we in America signed the pact with every intention of keeping our plighted word. I am sure that the other signatories are equally sincere. We have all condemned recourse to war for the solution of international controversies, and renounced it as an instrument of national policy in our relations with one another. The opinion, the conscience, of the massed signatories of the pact is now mobilized against its violation or threat of violation. Henceforth the nation who turns to the way of war and breaks that solemn trust will obviously do so at its peril.

OPEN DIPLOMACY.

When I turn more particularly to Anglo-American relations, I am made conscious that these are the days of open diplomacy. We are all diplomats and we are all interested, and a common language serves to make discussion between us easy and general. I do not regret this. On the contrary, I think such discussion is of the highest possible value. Washing linen in public may not be an edifying spectacle, but at least it has the merit of leaving nothing hidden to be washed later, perhaps, in blood. And as I have watched the recurrent ebb and flow of this discussion, two thoughts have come to me. It may serve a useful purpose if, for a moment, I refer to them.

What strikes me first of all is that many good and sincere people in both countries are inclined to regard and to discuss international affairs in much the same way that they regard and discuss their personal affairs. And the practice leads, I am afraid, to bewilderment, and sometimes to a certain sharpness of temper. These people assume that international friendships are merely personal friendships on a grand scale. And that is not true. As individuals we choose our friends. We choose them because we like them and because we find in them understanding, and sympathy, and inspiration, and, it may be, even a similarity of interests. Very often we prefer not to have business relations with them. And if, for one reason or another, our friendship wanes, we turn from it, and each of us goes his separate way.

But that is not at all what happens between nations. As nations we do not choose our friends. All are assumed to be our friends, by which we mean, I suppose, that we deal with one another freely. But since no two nations have identical interests, the relations between them give rise continually to differences of one sort and another, which continually require adjustment. Even so, those nations continue to encounter one another, to trade with one another, to profit from one another, and because they are in fact mutually and increasingly dependent on one another their differences ultimately find adjustment. The fact that differences between them exist merely shows that they are not alike, and that they are holding friendly intercourse.

What I want to emphasize is that we must expect these differences. That is the normal condition of international life. It is nothing to exaggerate. Above all, it is nothing to deplore. To assume, for instance, because the British and American peoples speak the same mother tongue, possess some of the same laws and institutions, read much the same literature, think many of the same thoughts, that friendship between them, as between two individuals, renders differences between them an offence against good taste and violation of the code of friendly decencies is simply to misunderstand the situation. I suggest that it puts a certain strain on the adjustment of these difficulties if people on both sides of the Atlantic tend to reason that such differences ought not to be, and that their existence is somehow abnormal and provocative.

Such differences are wholly natural. They merely show that we are alive and about our business. If anyone is anxious about Anglo-American relations because there are unsolved problems between the two peoples, I have no words to comfort him. There will never be a time when such problems do not exist. If he is alarmed with the loose talk he hears about the danger incident to such problems, I can only say to him that the world has become astonishingly safe for loose talk. It is one of the luxuries of security.

That is one comment which has occurred to me. Another is that we are perhaps inclined to be too contented with our own knowledge of our own good will. We Americans have a strong and vivid sense that we do not want to quarrel with anyone—that, on the contrary, we wish to live in peace with all the world; and, conscious of our own integrity of purpose, coveting neither the lands nor the possessions of others, we believe that peace would even now be permanently established on earth if other peoples felt the same way. The fact always interests me, and "intrigues" me vastly, for, so far as I have been able to discover, every civilized people does feel the same way. You in Britain have, I know, the same sense of your own good will, and you are equally conscious of the sincerity of your own desire for peace. So it is wherever one looks. I doubt if ever before the nations were quite so conscious of their good will. That is certainly cause for gratification. I am, I hope, sufficiently grateful for it.

But, unhappily, good will alone is not the only factor needed for bringing about the peace of the world. The nations may all of them be filled with good will, but, nevertheless, still bristle more or less with armaments. Wherefore, it follows, I think, that at some point, if the growth of armaments is to be reversed and the swords are to be turned into ploughshares, there must be acceptance of the good will of others. We already have some of that belief. I know of no magic formula by which it can be created. But I do believe that a little more acceptance of the good will of others and a little less of that distrust and suspicion which expresses itself in the form of armaments, will be found justified in fact, and will increase rather than decrease our security.

TWO HOBGOBLINS.

In particular, as between Britain and America, I confess frankly I see only one reason for distrust. And that is the existence of two mental hobgoblins. One of these hobgoblins appears from time to time in America to assure us that Britain is a predatory Power, cynically careless of right and wrong, indifferent to the interests of others, greedy, cunning, and waiting only for a favourable opportunity to strike us down. The other appears from time to time in Britain to assure you that as America becomes more conscious of her strength, she will inevitably become imperialistic and, ruthlessly and brutally seeking to exploit others, will use that strength merely to play the bully and become a danger and a menace to the peoples of the world. If these two hobgoblins speak the truth, the future is dark indeed. If the British people and the American people are fairly represented in their character and aspirations by what these two hobgoblins tell us, then serious trouble must be expected, and we would both do well to prepare again for the hell of war.

But these two hobgoblins do not speak the truth. There are no such peoples as those described. The description is false. The real peoples are wholly different. They are made up of millions of kindly, decent, hard-working, God-fearing men and women who possess innate common sense, who are busy about their own affairs, who do not fear one another, who want to live in peace, and who mean, God willing, to do so. Is it not about time that we recognize that fact fully and consciously, and turn definitely away from such fantastic views of our true relations to each other? A durable and unbreakable peace exists even now between the British and American peoples if they will but recognize the fact.

And so I end as I began. I thank you and, through you, the British people for all their kindness and consideration to me during the years it has been my privilege to live among you. I wish you all good fortune in the years that lie ahead. I wish you happiness and prosperity. And I bid you good-bye and good luck. (Cheers.)

The FRENCH AMBASSADOR, in proposing the health of the chairman, spoke of the excellent relations that had always existed between Mr. Houghton and the representatives of the other nations. There were, he said, people who had a great influence on public opinion, and one of them was the American Ambassador, who had invariably exercised it for good. (Cheers.)

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"S. M. Herald"

MAR 30 1929

USA. GB

AMERICA AND WEST INDIES.

In connection with the I'm Alone incident, Mr. S. G. Porter, a prominent member of the House of Representatives, made a very sensible remark. If, he said, the ship was carrying drugs—an allegation which has been denied—its crew were fiends and murderers. Nevertheless, America's ties with Britain are far too strong to be disturbed by the sinking of a smuggler. That observation exhibits the right feeling. But Mr. Porter also made a remark which, we submit with the utmost deference, was far from sensible. He suggested that the time is opportune for America to offer to take over the British possessions in the Caribbean, including British Honduras and British Guiana, "as partial liquidation of the war debt." Many of these colonies are convenient bases for rum-running—indeed, it is claimed, that the I'm Alone was engaged on such an errand when she was sunk—and Mr. Porter believes that the traffic could be stopped were America in control of them. Of course there are many precedents for the acquisition of territory by purchase or exchange, which is much the same thing. America herself furnishes several of them. In 1803 she bought the province of Louisiana from the French for 60 million francs. That province was far larger than the modern State which bears its name, comprising as it did the western basin of the Mississippi from Mexico to the Canadian Lakes. In 1867 she bought Alaska from Russia for 7,200,000 dollars. In 1917 she bought the Virgin Islands, in the Caribbean, from Denmark for 25,000,000 dollars. In 1899 Germany bought from Spain, impoverished by her war with America, the Caroline Islands for the equivalent of £1,000,000. Nine years previously she had given Britain Zanzibar in return for the island of Heligoland.

Two points about each of these transactions should be noted. While the areas involved in some of them were very extensive, the population affected was small. Also, the "quid pro quo" was adequate. Although Alaska turned out to be a magnificent bargain, the presence of gold was unsuspected at the time of the sale, and for long afterwards. Alaska was simply a sterile waste of tundra and mountain, country of a type of which Russia had enough and to spare in Northern Siberia. Lord Salisbury may have been wanting in prescience in letting Germany have Heligoland. He did not anticipate that this little island, which was steadily crumbling into the sea, would be converted into an impregnable advanced base for submarines. But in 1890 the German navy was unborn. France and Russia were the "possible enemies." No one dreamed of crediting Germany with hostile intentions towards Britain. And who were the people whose allegiance was transferred by these deals? A few Red Indian tribes; a handful of fisherfolk, negroes, and Micronesian natives. They numbered a few score thousands all told. The British colonies covered by Mr. Porter's suggestion are a very different proposition. They have, in the aggregate, a population of about two millions. Most of [illegible] is every it is coloured, but this elemen[illegible] whit as proud of its British citizenship as are the whites. When the Panama Canal was built, much of the labour was recruited from Barbardos and other of the British West Indies. The British consul who was stationed at Panama at the time has left it on record that these labourers frequently called at the consulate, not to seek his help, but simply to pay their respects. Their loyalty was almost a nuisance. The people of these colonies would certainly resent being handed over to America. They would regard such an act as a betrayal, while Britain could not bring herself to desert them and dispose of what are, next to Newfoundland, her oldest colonies.

From the economic standpoint some of the past glories of the West Indies have departed. In 1782, when the British Government was considering the terms of the peace which was signed the following year, it seriously contemplated surrendering Gibraltar to Spain on condition that two West Indian islands which had been captured should be returned. Nor was the idea so fantastic as it sounds. Gibraltar was the key to the Mediterranean, but it had not the supreme strategical importance with which the opening of the Suez Canal was to invest it. The wealth of the Antilles was prodigious. They were England's richest dependency, not even India being excepted. No longer do they occupy that position. Gone are the days when the world obtained its supply of sugar exclusively from cane, and when the West Indian planters amassed fabulous fortunes. Still the colonies concerned are prosperous, and the volume of their trade is substantial. The total value of their imports and exports is in the neighbourhood of £32,000,000 a year. Mr Porter thinks that they would fetch a sum that would partially liquidate Britain's debt to America. Let us examine this question more closely. In making a valuation of a property it is usual to take into account recent sales in the vicinity. Fortunately, thanks to America's desire ever to extend her demesnes, we have the material for forming an estimate. In 1917 she paid Denmark the equivalent of £5,000,000 for the Virgin Islands, with an area of 132 square miles. The British colonies in and adjacent to the Caribbean are at least as fertile as the Virgin Islands, and their resources are quite as great. Their area, in the aggregate, is about 111,300 square miles. Hence, on the basis of the 1917 transaction, they are worth about £4,215,000,000. Britain owes America about £980,000,000. And this would be what Mr. Porter styles a "partial liquidation" of the British debt! His proposal is characterised by a certain artless simplicity hardly to be expected in a member of a nation which plumes itself on its business capacity.

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News Bulletin

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F. P. A. MEETINGS

Feb. 16	New York	Prosperity
	Boston	Monroe Doctrine
	Buffalo	Dictatorships
	Worcester	Naval Rivalry
20	Cincinnati	Manchuria
21	Columbus	Manchuria
23	Philadelphia	Russia

ANGLOPHOBIA AND THE CRUISER BILL

DESPITE President Coolidge's efforts the Senate defeated on February 4 an amendment to drop the time-limit of July 1, 1931 by which date the fifteen cruisers and one airplane carrier must be laid down. Curiously enough, more Democrats than Republicans voted to retain the time clause—twenty-eight Democrats and twenty-six Republicans—a total of fifty-four. The move to eliminate the clause was supported by sixteen Republicans and eleven Democrats—or twenty-eight. This vote is another indication that we have no government and opposition parties.

It is now assumed that the House will accept the amendments made by the Senate to the present bill and that Congress will vote a sum, perhaps $12,000,000, making possible the commencement of this program, the total cost of which will be $274,000,000. When the cruisers authorized in the present bill are constructed the United States will have thirty-three large first-line cruisers in comparison with twenty-six for Britain. If one includes small cruisers, the figures for the United States will be thirty-three and for the British Empire fifty-nine. In tonnage the figures will be 305,000 tons for the United States and 380,810 tons for Great Britain. One should take into consideration the fact that thirty-three of the fifty-nine British cruisers were laid down before 1917 and hence will soon become obsolescent, while all of the American cruisers have been laid down since 1918.

In view of this difference in age the new cruiser bill, once carried into effect, may be said to give us substantial parity with the British Empire. When these cruisers are constructed the United States will have twenty-three 10,000-ton cruisers, each carrying 8-inch guns, in comparison with fifteen 10,000-and 8,000-ton cruisers for the British Empire.[1]

The second result of the cruiser debate has apparently been to increase or at least bring into the open a strong anti-British sentiment. Senator after Senator has declared that we must have a strong navy to "protect our commerce." Obviously there is only one navy in the world strong enough to threaten it from the standpoint of peace time commercial rivalry or in time of war. The undertone of the Senate debate would seem to show that a large number of Senators believe that the United States was "tricked" by the British Empire at the Washington Conference into abandoning our supremacy in capital ships. Great Britain on the other hand not only retained her supremacy in cruisers, but after the Washington Conference began the construction of 10,000-ton cruisers armed with 8-inch guns. These Senators are further irritated by the fact that at Geneva in 1927 the British delegation took the position that, although the British Empire at present had only thirty-nine first-line cruisers afloat, it was necessary for it to maintain a total of seventy cruisers. They further do not understand why the British Government at Geneva should question the American demand to mount its cruisers with 8-inch guns when the British Admiralty had already done so in the case of its own 10,000-ton cruisers. The Anglo-French accord aggravated the situation. And now comes the state-

1. Only two of these are 8,000-ton cruisers, namely the *York* and the *Essex*.

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ment of Mr. Ramsay MacDonald in the New York *Nation* stating that the passage of the bill will be a "great blow" to the United States, and the speech on January 31 of Mr. W. C. Bridgeman, First Lord of the Admiralty, declaring that "it is essential that we keep level with" the navies of other countries.

In fact so strong has the feeling become against British naval policy that a sentiment is developing in Washington that the United States should terminate the provisions of the Washington Conference Limitation Treaty in regard to capital ships. The first opportunity for raising this question will come in 1931 when, according to Article 21 of the Washington Treaty, the United States shall arrange for a conference of the signatories "to consider what changes, if any, in the Treaty may be necessary to meet such developments." Apparently any changes under this article will require unanimous consent. But the treaty as a whole may be terminated after December 31, 1936, provided one of the parties gives notice two years before that date. Within one year of such notice, the powers shall meet in conference. If the United States does not denounce this treaty, it is possible that France who has from the beginning been dissatisfied with its subordinate position under the treaty may do so, with the result that the whole question of capital ship ratios will be reopened.

A great deal of concern has been expressed in England over relations with America. If ill-will exists, and there is little doubt but that it does in certain senatorial circles, is it unfair to say that this ill-will is due to British naval policy? For many years the United States held back cruiser construction, hoping for an agreement that did not come. This ill-will would come to an end with a naval limitation agreement. It would be folly to postpone an attempt to reach such an agreement until after the nebulous question of "sea law" is settled. A naval agreement is imperative. The passage of the cruiser bill gives a practical basis for such an agreement. As pointed out above, that bill gives the United States substantial parity with Great Britain. Let us then make a treaty providing for the naval *status quo* between these two countries for a term of years. Such an arrangement would obviate the necessity of working out an equation between 6-inch and 8-inch guns and other factors upon which it is impossible to devise a satisfactory formula. If such an agreement is not reached in regard to cruisers, the Washington agreement in regard to capital ships may go by the board in 1936. And this would be an international calamity.

R. L. B.

Book Notes

Italy's Aegean Possessions, by C. D. Booth and Isabelle Bridge Booth, London, Arrowsmith, 1928.

A description of the twelve islands which Italy won from Turkey by the fortunes of war. Injustices to the Greek inhabitants of the islands are discussed, and it is suggested that several advantages would be gained by their early cession to Italy.

From Paris to Locarno and After, by F. Alexander. London, J. M. Dent & Son, Ltd., 1928.

An Australian views with guarded optimism the world's efforts to achieve arbitration, security and disarmament, while criticizing Great Britain's policy towards the League of Nations since 1924.

The Law of Nations, by J. L. Brierly. Oxford, The Clarendon Press, 1928.

A compact survey of the subject which should prove of great value to the general reader.

The Legal Effects of Recognition in International Law, by J. G. Hervey. Philadelphia, University of Pennsylvania Press, 1928.

An excellent study of the position of unrecognized governments before the courts. It is to be regretted that the author makes no use of any but English and American decisions.

How England is Governed, by Sir John A. R. Marriott. New York, Oxford University Press, 1928.

A worthwhile little handbook adapted to the requirements of high school students or of adults who are unfamiliar with the machinery of British Government.

Foreign Diplomacy in China, 1894-1900, by Philip Joseph. London, Allen and Unwin, 1928.

An excellent study of a significant period in China's history, based on first-hand material and accompanied by a valuable bibliography.

A Short History of China, by E. T. Williams. New York, Harper's, 1928.

A scholarly work, the fruit of many years of study in China; particularly valuable for its references to Chinese sources.

The Kuomintang and the Future of the Chinese Revolution, by T. C. Woo. London, Allen and Unwin, 1928.

A keen analysis of the causes of the revolution in China and of the political prospects of the Nationalist party.

The F. P. A. has a limited supply of the last Report of the Agent General For Reparation Payments available for free distribution.

The Editors alone are responsible for such opinions as they may express in the News Bulletin.

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[A 474/12/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received January 21.)

(No. 61.)

Sir, *Washington, January 11, 1929.*

I HAVE the honour to call your attention to the enclosed article by Mr. Frank Simonds, the well-known syndicated writer in the American press, on the subject of the possibility of future war between Great Britain and the United States.* This article is more interesting than others which have come recently from his pen and have been certainly exaggerated both in pessimism and bitterness of expression. The general line of his argument is one which, we may take it for granted, will appeal to the great mass of Americans who, rightly or wrongly, believe that the United States has always been and always should be the champion of neutral rights at sea against any belligerent Power which endeavours to enforce its own views as to blockade. It is taken for granted that this Power will be in the future, as for generations past, Great Britain. Hence, Mr. Simonds argues that, while the conception of a war between Great Britain and the United States arising from the collision of direct interests, a war in the nature of a duel with only the two peoples in shock, continues to be impossible, monstrous and unimaginable, yet one must now face the fact that in Great Britain and the Continent there is a growing fear lest this "unthinkable war" may, on account of blockade, become a very real and unspeakable menace.

2. In the last war Mr. Simonds argues that it was only because of Germany's violation of Belgium and the U.-boat war that the United States Government was prevented by popular feeling from taking more drastic action against British alleged violation of international law in interfering with neutral trade at sea. It is not impossible, he says, that in a new war Britain and not Germany may find herself in a position where the use of her naval arm without regard to neutral rights would seem the sole means of escaping complete disaster. "Such a decision, too, would obviously be conditional on the strength of the American fleet at the moment. If we were destitute of cruisers as at the present moment for example . . . . Britain might be led to take the risk."

3. This danger, too, must remain constant just as long as the British policy remains unmodified.

4. After paying Great Britain the tribute of saying that she had never in peace time employed her naval supremacy in such a way as to disturb national rights, Mr. Simonds states that the chief and the single argument that may be fairly advanced for the construction of fifteen American cruisers is that, once the American navy is strong enough to defend the policy of neutrality, the danger of British interference with neutrality will disappear. By contrast, as long as the United States insists on defending neutral rights and at the same time neglects to provide a proper means to defend them, it is simply asking for trouble.

5. Mr. Simonds then goes on to assume that the "British" believe that America is simply bluffing and will never build up to anything like parity, and thus minded, hold steadfastly to the view that Great Britain can continue to adhere to her traditional policy and use sea power without regard to neutral rights when she is at war.

6. On the other hand, according to Mr. Simonds, once the American navy is actually strong enough to defend neutrality, the British have no choice but to abandon the policy which will henceforth be beyond their means to enforce. They will have to give up the idea of ruling the sea without regard to neutral rights and undertake a revision of maritime law which will ensure them the greatest possible degree of safety. "When that moment arrives the Anglo-American naval controversy, as it exists to-day, will disappear, for the British are not afraid of parity as a direct menace to their security or prosperity, but only as an obstacle to their employment of their sea power offensively in the time of war." Mr. Simonds

* Not printed.

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continues to enlarge on this theme for the remainder of the article, concluding by saying that he believes that there is a growing element in Great Britain which would welcome the decision of the United States to build its fleet up to standard, because it believes that the growth of the United States in all directions makes the use of sea power against its will impracticable, but realises that, until naval authorities see American ships actually in being, they will not abandon a policy which has become obsolete, and thus make possible the removal of the single real danger of an Anglo-American war, that resulting from the repetition of the circumstances of the World War.

7. In this article it seems to me that Mr. Simonds has very clearly stated the beliefs of that school of American thought which considers a big navy—second to none—necessary for the sole purpose of defending American neutral trade at sea in time of war. This school does not count all the Big Navyites among its adherents, for there are unquestionably a certain number who want a big navy merely because they think the United States should have a bigger, brighter and better navy than any other country—especially than Great Britain. Such people, however, are really few, and though clamorous, have little influence.

8. On the other hand, the number of those who would agree with every word that Mr. Simonds has written in this article would probably include almost every man of reputation and influence of both parties in the political life of this country, among whom there are many real friends of Great Britain. It would not be difficult to name, at a venture, dozens of men who probably hold these views, beginning with some so universally respected as Mr. Root and Mr. Hughes on the one side, and Mr. John W. Davis and Mr. Frank Polk, not to mention, of course, Colonel House, on the other.

9. We have, therefore, here a phenomenon that must be taken into serious consideration and cannot be passed over. The question of the "freedom of the seas" is one on which practically all Americans, barring only professional pacifists, are united. Even the Middle Western agriculturist, represented by Senator Capper, who knows better than any man what the Middle Western farmer is thinking about, is apparently quite interested in this question. Senator Borah, a genuine pacifist, has told me frankly it is, in his opinion, the only question that can seriously divide Great Britain and the United States, and the only consideration that makes him support the Cruiser Construction Bill.

10. In face of such solidarity as this, it is at least clear that we cannot afford to ignore American public opinion in this matter. In some form or another, whether at a conference in peace time, or even, as Mr. Simonds predicts, in time of war, we shall sooner or later be constrained to decide whether it is worth while to risk war with the United States, when we are at war with some other major Power, for the sake of maintaining full liberty of action on the high seas with reference to neutral trade.

I have, &c.
ESME HOWARD.

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LEAGUE OF NATIONS. December 7, 1928.

CONFIDENTIAL. SECTION 1.

[W 11585/28/98] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received December 7.)

(No. 380.)
(Telegraphic.) P. *Washington, December 7, 1928.*

I HAD a discussion to-day on Anglo-American naval relations with Mr. Walter Lippmann, editor of the "New York World," whose attitude on this question has been very reasonable. He told me that Senator Borah had expressed to him anxiety lest an increased British building programme should follow the passage by Congress of the Fifteen-Cruiser Bill. If His Majesty's Government took any such action, the Big Navy party here might well be successful in pushing through an increased programme for, say, twenty-five 8-inch-gun cruisers.

Mr. Lippmann asked me whether there was any danger of the adoption of such a policy by His Majesty's Government. I told him that in my opinion it was most unlikely, and added that, so far as I remembered, the Prime Minister, in his speech at the Albert Hall, gave a definite lead in the other direction. Mr. Lipmann evinced great satisfaction at this, and said that he believed that in that case it would be impossible for the Big Navy party to carry any proposal for further cruiser construction and all irritation between the two countries would die down before 1931, when the next Washington Conference meets. He then made a suggestion, which I gathered emanated from Senator Borah, that if His Majesty's Government decided not to increase their present programme of construction, why should not both parties agree to respect the *status quo* after the Bill now before Congress has been passed? He said he understood that on the completion of their present programme Great Britain would have twenty 8-inch-gun cruisers, and the United States would have twenty-three. As against this, however, Great Britain would have, on the present programme, a superiority in 6-inch-gun cruisers. Each country would, of course, have the right of replacement. This solution would present, he thought, a much easier method of reaching agreement than any endeavour to fix parity, which, considering the circumstances, was about as difficult as attempting to fix parity between two beautiful women.

I said that the idea seemed to me to embody a practical principle, but without going into details it was impossible to give an opinion Mr. Lippmann expressed his belief that Anglo-American naval relations would be settled for a very long time if a solution could be reached on these lines and the Washington Treaty prolonged after 1931. The United States was not really anti-British, and had no desire to spend large sums on naval construction. If it were possible to reach an agreement of this nature, public opinion in general, led by the Churches, pacifists and educationalists, would be sure to give it their full support and prevent any further naval expenditure.

I have discussed this question with the naval attaché and we both agree with Mr. Lippmann's opinion regarding the effect which an agreement of this nature would have here, if His Majesty's Government considered it feasible.

[655 g—1]

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EXTERNAL AFFAIRS.

U.S.A. - RELATIONS WITH GREAT BRITAIN.

1928

Cabinet in Great Britain considered the question on the 7th December. The points of friction might be said to be: (1) the question of Naval parity; (2) the Anglo-American Arbitration Treaty; (3) Belligerent Rights.

Con.153.

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[A 8432/39/45]

No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received December 11.)

(No. 2349.)

Sir, *Washington, November 30, 1928.*

I HAVE the honour to transmit herewith a memorandum of conversations with Mr. Frank Simonds, the well-known journalist and syndicated writer on foreign affairs.* The first and third sections of this memorandum were written by Colonel Pope-Hennessy, military attaché to this Embassy, and the second by Sir John Broderick, commercial counsellor. There is nothing specially new in what Mr. Simonds said, but it is the general trend of his observations that is interesting.

2. Mr. Simonds is an extremely intelligent observer with, I think, one prejudice, which he probably inherited at birth and has never really got over. He is a thorough and typical New Englander, and has never been quite able to rid himself of that suspicion of everything done by a British Government—as apart from the British people—which is at the back of the mind of almost every New Englander unless he has himself removed it by something akin to a surgical operation. A good many travelled New Englanders have freed themselves from this incubus. Mr. Simonds, though he would never admit it, is one of those who has never succeeded in doing so. During the war and after he was, I believe, strongly pro-French and lukewarm as regards England. Now, for some reason, he has become in his general outlook rather pro-German, and the former Allied Powers are the objects of his criticism. It is their settlement at Versailles—which was also the settlement of his special American bugbear, President Wilson—which is for him the cause of all the troubles in Europe. Danzig, Albania, Hungary and what not are now, in his opinion, certain to bring about another European cataclysm which the League of Nations will be powerless to resist. I may be wrong, but I cannot help feeling that Mr. Simonds, with all his intelligence, looks out on the world with glasses coloured, and deeply coloured, by his own peculiar prejudices, and then describes the general situation as much more serious than it really is.

3. One thing, however, he says that is interesting. This is that at the opening of the Geneva Naval Conference of last year the American newspaper correspondents were told by a representative of the Foreign Office that, "If it is parity America is after, she is damn well not going to get it." This story is, of course, absurd on the face of it, and only a man with the prejudices of Mr. Simonds could believe it to be true. It is, however, true, from what I have heard from other sources, that for some reason or other all the American correspondents then in Geneva got from the very beginning of the conference the impression that the British delegation were out to torpedo the principle of "parity." This was the cause of half the trouble then and ever since.

4. Only three days ago, for instance, I had a long conversation with Mr. Ogden Reid, owner of the "New York Herald Tribune," which, as you know, is one of the greatest and most influential papers that, while friendly to Great Britain on all other points, has constantly accused His Majesty's Government of trying by all kinds of unfair means to get the better of the United States over the naval construction problem. It has been particularly disagreeable about the Anglo-French Naval Compromise. I therefore took special pains to explain to Mr. Reid the genesis of that instrument, and how natural it was that His Majesty's Government with, as they believed, full concurrence and approval of the other Governments interested, as declared by their representatives at the last meeting of the Preparatory Committee for Naval Disarmament at Geneva in March last, should have sought an agreement with France as regards at least a basis of discussion to be submitted to the other interested Powers. Mr. Reid seemed to be convinced by my arguments that here at least no serious reproach of bad faith or intrigue behind the back of America could be levelled at His Majesty's Government. He added, however, "What has really troubled us ever since the Geneva Conference is that our people

* Not printed.

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at that conference all got the impression that your Government, which we believed had accepted at Washington the principle of parity, not only for battleships, but also for auxiliary vessels, went back on that principle and tried to get us to abandon it, too, and accept something less than parity, which now we can never do."

5. That, I think, represents in a very few words the attitude of the whole American public towards the question of naval construction. I agree with Mr. Simonds, as quoted by Colonel Pope-Hennessy, "Had the British representatives at Geneva immediately welcomed the idea of 'parity,' he felt sure that the United States would not have attempted to build up to 'parity.'" He emphasised the fact that, with the young American nation now conscious of its growing strength and increasing importance in the world, the attempt to deny them equality or parity in anything at all merely makes them more determined to attain it. That sums up the situation completely. The more firmly Americans believe that the British Government is trying to prevent them from attaining naval parity or to persuade them to give up parity, or in endeavouring by hook or crook itself to wriggle out of parity, the more determined they will be to have parity or even superiority. If we want to drive them into an attitude of desiring naval competition with us, we can hardly find a better way to do it.

6. I cannot, of course, say what grounds the American press correspondents at Geneva had for believing that Great Britain was out to deny the principle of parity for auxiliary vessels. I can only state that this is now generally believed here, and that it will take much patience and goodwill to remove that impression.

I have, &c.

ESME HOWARD.

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Economist
21. 12. 28.

AMERICAN CAPITAL PENETRATION.

Rumour persists that a distinct attempt is being made by certain financial interests in the United States to gain control of quite a number of British enterprises, outstanding among which are the electrical and copper industries. Such rumours are periodically denied by this or that individual or company in New York, but such denials must necessarily be qualified by facts which are readily ascertainable.

Last summer, Sir Hugo Hirst, of the General Electric Company, took alarm on discovering that a tremendous number of the shares of his company were finding their way to New York. Eventually, an extraordinary general meeting of the company was convened, and the company's Articles were so amended as to ensure a continuance of British control. This company, however, is only one of the many enterprises concerned. The electrical industry is of particular interest to American manufacturers, since, in order to keep their factories going at full pressure, they urgently need a greater volume of business. In these circumstances, the £250,000,000 which Great Britain is to spend under the Electricity Act of 1926 must appear a very tempting prize, and it is by no means unnatural that they should wish to participate in the resulting profits through the perfectly legitimate channels of investment. It is for the British manufacturers, and, in the case of copper, for the Government, to decide to what degree this participation should be carried.

It is well known that the firm of British Thomson-Houston, with works at Rugby, Birmingham, Coventry and Willesden, is under American control. Of the 2,000,000 £1 Ordinary shares of the company, 1,900,000 are held by the International General Electric Company of New York. There are American directors on the board. In turn, British Thomson-Houston hold one-third of the shares in Power Securities Corporation. The Power Securities Corporation likewise holds shares in the Lancashire Electric Power Company and the Midland Electric Supply Company.

About a month ago it was stated in the Press that a direct move was being made in New York to acquire British electrical enterprises. On October 31, Mr. H. L. Clarke, president of the Utilities Power and Light Corporation, flatly denied this, but said: "At the same time, we have for a number of years been interested in the Greater London and Counties Trust, which controls, through stock holdings, a number of English utilities. The Ordinary share capital of this trust is £300,000, and recently it acquired the Edmundson Electric Corporation, which owns twelve electricity supply companies in different parts of the country. The fact that this trust has obtained funds from America has been acknowledged; £1,500,000 came from this source as far back as last March.

Two more instances will suffice to establish the case for electrics. The Anglo-American Debenture Corporation holds several million debentures in the English Electric Company, with works at Stafford, Preston, Coventry and Bradford. Secondly, the United States is interested to the extent of £630,000 in Messrs. Babcock and Wilcox. In view of these facts it would be superfluous to touch upon the working arrangements and agreements, such as are said to exist between Metro-Vickers and the American Westinghouse Electric Company.

The case for copper is more open, flagrant and urgent. The world demand for this metal is increasing by leaps and bounds. Thirty years ago, 200,000 tons were sufficient to satisfy the annual electrical demand for this metal. Last year electricity absorbed 800,000 tons, or over 60 per cent. of the world's total output. In the past three years the demand for the metal has increased at such a rate as to threaten the exhaustion of the world's visible supplies. Up to the present the main sources of supplies have been American or are under American control. Canada and the United States, in fact, produce one-half of the world's copper. British activities in Rhodesia promise to alter this. There we own the N'Changa, the N'Kana, the Roan Antelope and the Bwana M'Kubwa properties. Drilling on the N'Kana has produced results without parallel in the history of copper mining. America's richest producer is the Braden Copper Co. in Chile. This ore averages 2.20 per cent. copper. The N'Kana, over a length of 5,700 feet and a depth of 800 feet, has revealed an ore body of 13,400,000 tons of a 4½ per cent. copper average. Further borings have supplied indications of a 20,000-000-ton ore body. To appreciate adequately, the richness of this 4½ per cent. return, it should be borne in mind that last year the Miami Copper Company of Arizona worked ore with a 0.855 per cent. content only, and was still able to show a profit for the year of £260,000.

The N'Changa has given indications of a still greater ore body with a 3½% copper content.

On the Roan Antelope 30,000,000 tons of ore have been proved, and a 50,000 tons smelter is already being erected. The content average in this case is 3¼%, which means that each ton of ore carries nearly 200 lb. more copper than America's richest producer, the Braden mine in Chile.

It is obvious that these mines, with a higher copper percentage than any of the American-owned mines, present a direct threat to American supremacy in this field. The attitude of the American producers is a frankly open one. They intend, if it be humanly possible, to obtain control of these mines. America supplied approximately one-half of the capital necessary to exploit the Roan Antelope mine; they have since bought more shares in the open market, and have also acquired a very substantial holding in Bwana M'Kubwas. A representative of the copper producers of America recently visited Rhodesia. On his return to America, and in advising his fellow-countrymen to participate in the Rhodesian enterprises, he said: "It will doubtless be expedient for operations to be conducted by companies organised in London. . . ." If this does not mean American control behind a seemingly British screen it is difficult to gather the purport of the words.

The matter is one of urgent Imperial interest. We have the richest copper mines in the whole world in our possession, and we must keep them for the sake of the British working-man and of posterity. The matter is a simple one. Voting powers at the companies' meetings must be confined to British nationals. Holders of shares must supply an attested declaration of nationality. Sir Hugo Hirst had this clause inserted in Articles of the General Electric Co. There is also a second way. The shares of one of the biggest Trusts in the world—the Swedish Match Trust—are divided into denominations A and B. These are identical in every respect save voting powers. The A shares are held in Sweden and each carries one vote. The B shares only are quoted on the Exchanges of the world, and each share carries only one-thousandth part of a vote. Thus Swedish control is unassailable.

There remain tin and rubber. Great Britain is the largest producer of both of these commodities; America the largest consumer. Early this month it was reported in the Press that American financiers, with the sympathetic support of the American Government, were about to renew the abortive efforts they made in 1922 to obtain control of at least a large proportion of the British rubber industry. Considerable purchases have been made this month alone for American account. In some quarters it is placed at from £100,000 to £150,000. Further, dealers in tin shares admit they have American buying orders on their books to be executed when shares reach a certain level.

Thus some of the most valuable of our Imperial assets are openly threatened with American control. This is no mere bogey, as anyone who knows the United States and its people will admit.

And since it would be almost impossible to reconcile the various conflicting interests in British industry and induce the leaders to take concerted action, it remains for the Government to avert what can only be described as a grave Imperial threat.

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THE "TIMES" - 6.12.28.

THE PEACE PACT.

SIR A. CHAMBERLAIN'S FAITH.

MR. HOUGHTON ON DEMOCRACY.

Sir Austen Chamberlain, Secretary of State for Foreign Affairs, was the principal guest last night at a dinner of the Pilgrims given to celebrate the signing of the General Pact for the Renunciation of War. The dinner, which was held at the Hotel Victoria, was attended by Ambassadors, Ministers, and other diplomatic representatives of many foreign countries, High Commissioners for the Dominions, and distinguished American and other visitors. Lord Desborough, the chairman of the Pilgrims, presided, and on his right were the American Ambassador, the Lord Chancellor, and the Belgian Ambassador. On his left were Sir Austen Chamberlain, the German Ambassador, and Lord Hardinge.

During the dinner the figure of the Angel of Peace with outstretched wings, carved in ice, was carried into the room and placed amid cheers on the table in front of Sir Austen Chamberlain and the German Ambassador.

A copy of the text of the Peace Pact, reprinted from *The Times*, with a replica of the signatures of the 15 plenipotentiaries at the Ministry of Foreign Affairs in Paris on August 27, was provided for each guest.

The CHAIRMAN, submitting the toast of "The King," said it had been a time-honoured custom of the Pilgrims to submit the health of the King and the President of the United States in one toast, but that night he would submit the toasts separately. All their thoughts went out to the bedside of the King, and all their wishes were for a complete and speedy recovery. He thought the latest news was more reassuring than it had been for some time. (Cheers.) There had been a slight but decided improvement in the King's condition. He gave them the toast, "God save the King."

The toast was cordially pledged, and that of "The President of the United States" was received with equal enthusiasm.

U.S. PILGRIMS' MESSAGE.

Mr. WILSON TAYLOR, the hon. secretary, read the following telegram from the Pilgrims of the United States:—

"The Pilgrims of the United States join with heartiness and deep pride with the Pilgrims of Great Britain in applauding and supporting the Pact of Paris, which formally condemns recourse to war for the solution of international controversies, and renounces it as an instrument of national policy so far as concerns the signatory nations, the list of which now includes substantially the whole civilized world. This epoch-making declaration of international policy and national purpose establishes on a world-wide scale a basis for those relations of friendly understanding and cooperation which the Pilgrims have so long and so effectively laboured to make real and vital among English-speaking people. The time has now come for the Government of the United States and of those of the British Commonwealth of Nations to lead the way in shaping national policies, whether diplomatic, military, naval, or economic, so as to take the fullest advantage of all that the Pact of Paris offers, and to point the way to a peaceful and peace-loving world, abundant in progress as well as increased happiness and satisfaction for all classes of men, whatever their speech, race, or creed. The grave illness of his Majesty the King gives us all the greatest anxiety. We hope and pray for his speedy and complete recovery to health and strength. May God save the King.—NICHOLAS MURRAY BUTLER, President."

AMERICAN AMBASSADOR'S SPEECH.

DEMOCRACY AND PEACE.

The AMERICAN AMBASSADOR afterwards spoke, first reading the following telegram from Mr. Kellogg, Secretary of State for Foreign Affairs:—

"Please extend my greetings to the Pilgrims and express the gratification I feel that they are celebrating the signing of the Anti-War Pact. The Treaty expresses the sentiments of all peoples of the world, and 60 nations have either signed the Treaty, adhered to it, or expressed their intention to adhere to it. Thus it becomes a declaration of the hopes and aspirations of mankind."

The Ambassador proceeded:—

During the days just ahead of us the Multilateral Treaty signed in Paris a few months ago will be laid before the American Senate, and the Senate, after consideration, will either [illegible] its constitutional right and power. For obvious reasons, therefore, you will [illegible]

same conditions that exist, or are thought to exist, along frontiers in other parts of the world.

"SOLID GROUND FOR HOPE."

Do you think that military experts and naval experts and political experts on either side, feeling themselves responsible for the grave task of ensuring the safety of the vast interests committed to their charge, would now agree that armed protection was unnecessary, and that all their preparations for possible conflicts between the two peoples could safely be thrown aside, and that the dangers conjured up were, after all, imaginary? I doubt it. I think they would be far more likely to approach the matter in good spirit and with a sincere wish that so desirable a result were practicable, but, in view of human experience, would feel compelled to decide that, while peaceful sentiments should, of course, be sought, and every facility given to make them successful, nevertheless armed protection was prudent and to be really effective ought to be at least doubled. And I dare say that would sound like good sense and the part of wisdom. Yet we know that such a conclusion is false. Those elements of force, whether naval or military, are not necessary for the mutual safety of the Canadian and American peoples. We have demonstrated the fact. We have shown that we are safer and happier without them and without the problems which inevitably go with them. I do not want to exaggerate. I do not want to press the point too far. But I ask you, is there not a measure of truth in what I have said? Have we not solid ground for hope, now that the nations have agreed to renounce the right to use force and undertaken to reach peaceful settlements, that the apparent necessity of maintaining armaments may be found less substantial than it now seems? Our experience overseas at least would appear to point in that direction. (Cheers.)

"A BETTER WAY."

That is one thought which comes to me when I reflect on the obligations to be taken under the Multilateral Treaty. I would like very briefly to suggest another. As you know, we peoples overseas are called the new peoples. In the sense that our fathers found there new conditions, and that their lives and our lives have been subtly affected by the influences and experiences growing out of those new conditions, the statement is, of course, true. But in one aspect, at least, we are the oldest peoples. That democratic impulse which our fathers brought with them from Britain, and which has transformed the world and is still transforming it, found its first free field of expression amongst us.

The point I wish to make is that democracy, like any other social or political order, tends constantly to create an environment favourable for itself. And the basic condition most favourable and most necessary for its development and safety is peace. Democratic peoples, self-governing peoples, as you know by your own experience, do not easily go to war. To make war effectively, they must surrender, if only for the time being, all those rights and privileges and powers which are most precious to them, and revert again to despotism. That is difficult for them. There is among them a wholly natural inertia against such violent and dangerous and costly changes as war inevitably brings. And year by year, and almost day by day, I believe, that inertia, that resistance, grows, and is more difficult to move, and with that process the danger of war lessens, and becomes less real. Those men and women now have political power. They are becoming more conscious of themselves as individuals and of the importance to them of their individual concerns. They turn instinctively and sternly from a method of settling disputes which is so costly and so dangerous as war. They are coming fast to doubt its necessity. They seek a better way. At least, that seems to be the kind of sentiment which is waxing strong overseas, and is waxing strong. I have no doubt, throughout the civilized world. I recognize the differences which exist between old world conditions and new, and the larger perplexities and the more difficult problems which these older civilizations present. But, even so, I believe that democratic impulse which is still driving through the minds and souls of men cannot be denied. Its aim is peace, because peace is necessary for its fullest expression, and peace it will have. (Cheers.)

So I conclude pretty much where I began. The task of bringing the differences between nations to peaceful settlements is not easy. It will need patience and forbearance, and all the good will and understanding. God knows, that can be mustered. But it can be done. (Cheers.) There is nothing inherently impossible in it. Two peoples can live side by side, unarmed against the other, in mutual good will and in mutual safety. That, it seems to me, is an assurance which the peoples of the new world, out of their own experience, may properly offer to the peoples of the old. (Cheers.)

SIR AUSTEN CHAMBERLAIN.

DUTY OF GOVERNMENTS AND THE PRESS.

SIR AUSTEN CHAMBERLAIN said:—

It is enjoined upon me by my doctor—and to my doctor I owe as much as anyone can owe to human skill and care—that I must restrict my work, and above all restrict my attendance at public banquets. I am endeavouring to comply with his recommendations, but I could not refuse myself the pleasure, the deep and profound pleasure, of taking part in your celebration of the great work done by Mr. Kellogg and the Government which he renounce the right to pursue their individual policies by war, it behoves us, with a care, an exactitude and with a scrupulousness which has never been exercised to the same extent before, not to give others cause of offence. They have promised not to seek solution of any difficulties with us by act of war. Then it is our duty never to put them in a position by any act of ours in which, but for that promise, they would have gone to war with us.

There is something more. Governments must conduct such controversial discussions as may be inevitable in the light of this new document—they must seek, first and foremost, as they always should have done, to put themselves in the position of the other party, to understand his point of view, and if they cannot exactly accept the proposal which he has made to them, at least to go to the utmost of their power to meet the real difficulties with which he is confronted.

OBLIGATION ON PUBLICISTS.

But was that duty ever confined to Governments? Is not the duty to-day, in the light of this new instrument, incumbent on the Press and the public of all the countries to do the same as the Governments who conduct their affairs? When I was in America I happened to read an article by an American in an American magazine of which the title was "International Window Smashing." The author drew his title from a saying of Prince Bismarck that "every country had sooner or later to pay for the windows which its Press broke." We have a Press which is free, and it is important that it should continue to urge upon Governments the peaceful solution of international questions. I desire on this occasion, among the implications of the pact, to say that it places a new obligation on the publicists of our different countries to work for peace, to interpret one nation to another, to be slow to excite suspicion, or entertain suspicion, and that their part in making the Kellogg Pact of Peace effective is at least as important, at least as responsible, and at least as honourable, as that of the men who are immediately charged with the conduct of public affairs.

I go a step further. When I talk in any country to the directors of the Press, and suggest to them that sometimes they make the work of peace-loving and peaceful-minded statesmen more difficult, they are apt to say they give the public, and can only give the public, what the public require and call for. The implications of the Pact of Peace are not alone for Ministers or the Press; they are for every individual citizen in every country which is a party to the Pact. They should demand information, good news, fair news, sympathetic news, from other countries, they should insist on being informed, and on being given material to form their own judgment on these great international questions, and I venture to say, after many years of experience in responsible Government positions, and four anxious years—they must always be anxious for every Foreign Secretary—as Foreign Secretary, that if the public will bring the same good will, the same desire to understand, and the same information to the consideration of these great international questions which is already brought to bear or possessed by their Governments, then the task of those Governments will be enormously facilitated, and the Pact of Peace will be not merely a great ideal but a great reality, rooted deep in the hearts of the nations, which no Government and no people, even in a moment of madness, would venture to uproot. (Cheers.)

BRITAIN AND AMERICA.

LORD HAILSHAM said that the Pilgrims had achieved a unique position as a link between their two countries, and no one deserved greater credit for their position than their chairman. Eighteen months ago, he continued, Mr. Houghton addressed the Harvard Alumni Association, and when he (the speaker) read that address he was not at all sure that Mr. Houghton was not to some degree responsible for the idea of the Peace Pact, because he suggested to his audience that it would be a very good plan to call a conference of all the great self-governing nations with the object of agreeing among themselves that no one of them should go to war with any other without first taking a vote of the electors. He went on to suggest, in order to give the democracies time to think the matter over, that as part of the same compact they should agree that they would not anyhow go to war with one another for the next 100 years. It was not a very big step from that to sympathy with the suggestion that they should not go to war with one another at all. Perhaps Mr. Kellogg might have studied the address of Mr. Houghton to the Harvard Association. They would all be sorry when Mr. Houghton went back to his own country. Whether they would find a sphere of public usefulness for him there they could not tell. Unhappily in America the Second Chamber was subject to the vagaries of the popular vote. (Laughter.) This at least he could say—any nation that could afford to do without the service of men like Mr. Houghton must indeed be happy in the qualities of competency of its citizens. (Cheers.)

He had read in the newspapers—those newspapers to which the Foreign Secretary had addressed certain words of exhortation—reflections on what they described as the deterioration of Anglo-American relations. He would like to say one word about those observations, which seemed to suggest [illegible] the fact that, unhappily, their two countries

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in shaping national policies, whether [illegible] matic, military, naval or economic, so as to take the fullest advantage of all that the Pact of Paris offers, and to point the way to a peaceful and peace-loving world, abundant in progress as well as increased happiness and satisfaction for all classes of men, whatever their speech, race, or creed. The grave illness of his Majesty the King gives us all the greatest anxiety. We hope and pray for his speedy and complete recovery to health and strength. May God save the King.—NICHOLAS MURRAY BUTLER, President."

AMERICAN AMBASSADOR'S SPEECH.

DEMOCRACY AND PEACE.

The AMERICAN AMBASSADOR afterwards spoke, first reading the following telegram from Mr. Kellogg, Secretary of State for Foreign Affairs:—

"Please extend my greetings to the Pilgrims and express the gratification I feel that they are celebrating the signing of the Anti-War Pact. The Treaty expresses the sentiments of all peoples of the world, and 60 nations have either signed the Treaty, adhered to it, or expressed their intention to adhere to it. Thus it becomes a declaration of the hopes and aspirations of mankind."

The Ambassador proceeded:—

During the days just ahead of us the Multilateral Treaty signed in Paris a few months ago will be laid before the American Senate, and the Senate, after consideration, will either ratify that Treaty or will refuse to ratify it. That is its constitutional right and power. For obvious reasons, therefore, you will understand that I cannot to-night discuss the Treaty as directly as I otherwise would wish to do.

Now, we should all agree that a peaceful settlement of the problems which arise between nations in the conduct of their affairs is wholly desirable. That is the method which the nations signing the Treaty have now agreed to follow. And I have wondered if perhaps our experience overseas might not throw a hopeful light on its practicability. I am thinking, of course, of that long frontier line between Canada and the United States. For 3,000 miles, or, if the Alaskan frontier be added in, for more than 5,000 miles, that line stretches away, without a fortification on either side of it, or a ship of war. There are no soldiers and no sailors to guard it. There are no military problems or naval problems involved in its maintenance. No one is scheming to change that frontier. No one is suspected of scheming. Our Canadian friends are on one side of it, and we are on the other. And the fact is accepted by us both with much the same definiteness of mind as if a few thousand miles of sea water divided us. Yet, if you will remember, when that earliest frontier was first laid down there was no great disparity between the populations. There were forts on either side. The dangers and horrors of war had been impressed on both peoples by bitter experience. More than once had war come from Canada south into the United States or gone north from the United States into Canada. Reasons enough existed, in all truth, why both of them should have felt that protection was needed and justified—reasons of defence, or of prudence, or of suspicion—reasons, whatever they were, based on all comparative human experience in the past. If none of those reasons prevailed, and if that frontier is to-day wholly unprotected and undefended, the resultant fact that two peoples have been able to live side by side in mutual safety and contentment cannot be wholly without significance to the rest of the world. (Cheers.)

NO COMPETITION IN ARMAMENTS.

It is easy, of course, and it is perhaps natural, to assert that no useful comparison can be drawn between that frontier and any other frontier you may choose to compare with it. The contributing conditions differ too greatly. Such human factors as differences in race, in degree of civilization, in pressure of population, in historic antagonism, and all the rest of the familiar category, prevent it. And the statement has its elements of truth. Such differences do exist. It would be idle to deny them. They cannot safely be overlooked or under-estimated. They must be taken into account. But, on the other hand, there are similarities, which root equally deep in human nature. For that frontier of ours divides two peoples, not one. Each of them is proud and jealous of its independence. Neither of them would permit an infringement of its rights. And the two are vigorously competing forces in every line of human activity. No—in every line but one, I should say. They do not compete in armaments. They do not arm against each other. And I can, I think, best express what I have in mind to say to you if I ask you for a moment to consider what would have been the result if the alternative course had been taken and that frontier between Canada and the United States had in fact been protected by fortifications and by ships of war. There are now great cities along that border which might conceivably be subject to attack. They would now be protected—be sure of that. There are physical resources of one sort and another of incalculable value which either nation might covet, and might conceivably plan at some opportune moment to seize by force. You may be sure they would not have gone unprotected. On the contrary, in addition to fortifications and ships, I suspect we should now have general staffs working out, in secret, plans of defence and offence. There would exist, among both peoples, a deep-lying unrest of mind and a certain suspicion and distrust of the other's good faith and good intentions. In other words, there would be along that frontier to-day, in greater or less degree, much the same conditions and new, and the larger perplexities and the more difficult problems which these older civilizations present. But, even so, I believe that democratic impulse which is still driving through the minds and souls of men cannot be denied. Its aim is peace, because peace is necessary for its fullest expression, and peace it will have. (Cheers.)

So I conclude pretty much where I began. The task of bringing the differences between nations to peaceful settlements is not easy. It will need patience and forbearance, and all the good will and understanding, God knows, that can be mustered. But it can be done. (Cheers.) There is nothing inherently impossible in it. Two peoples can live side by side, unarmed against the other, in mutual good will and in mutual safety. That, it seems to me, is an assurance which the peoples of the new world, out of their own experience, may properly offer to the peoples of the old. (Cheers.)

SIR AUSTEN CHAMBERLAIN.

DUTY OF GOVERNMENTS AND THE PRESS.

SIR AUSTEN CHAMBERLAIN said:—

It is enjoined upon me by my doctor—and to my doctor I owe as much as anyone can owe to human skill and care—that I must restrict my work, and above all restrict my attendance at public banquets. I am endeavouring to comply with his recommendations, but I could not refuse myself the pleasure, the deep and profound pleasure, of taking part in your celebration of this great work done by Mr. Kellogg and the Government which he represents in the interests of peace. It was a profound disappointment, the greatest disappointment of my illness to me, that I could not be the man who, on behalf of the Governmeint of this country, should sign the Pact which Mr. Kellogg had proposed, and the fruition of which is attended by the eager expectation of all peoples in this world.

Mr. Ambassador, you have indicated certain restrictions which were imposed upon you by the circumstances of the moment in which we are both called upon to speak. I, too, am conscious that at this moment the existence of that Pact depends on the decision of the Senate of the United States. All I would say in regard to it is that, if it should approve itself to the authorities of the United States, no Government will more readily and more eagerly give its ratification to this instrument, which proceeds from the American initiative, than the Government which I have the honour to represent. (Cheers.)

Mr. Ambassador, you spoke of that great international frontier, stretching for 3,000 miles, which, by including Alaska, we can extend still farther, alongside of which I have just traversed the American Continent over the Canadian Pacific Railway. There is only one addition that I would make to what you have said about that frontier, and that is what it stands for to us and all the thoughts it may suggest to others who have been in the past less fortunately situated. You have spoken of it as the frontier between Canada and the United States. It is the frontier between Canada and the United States, but that frontier, unguarded except by the good will and the good sense of those whom it divides only to unite, is not merely the frontier of Canada with the United States, it is the frontier of the British Empire with the United States. (Cheers.) When I say that, I say it with the intent that, as far as my voice carries, men may draw the implications which you have drawn from the unguarded frontier of Canada with the United States as being true of the unguarded frontier of the United States and the British Empire. (Cheers.)

IMPLICATIONS OF THE PACT.

Lord Desborough, I hold that there is no greater danger for a Foreign Secretary than to allow his heart to run away with his head, and to use in discussing international affairs language of exaggeration. I have tried as far as in me lay to speak soberly of the improved conditions which I see around me in Europe and the world, and in speaking of the great international pact which is the occasion of our meeting to-night I would desire to hold the same language of sobriety and to link myself as closely to facts without allowing my hopes and my ideals to disguise practical difficulties or to run away with my common sense. But when I speak as soberly as I can of this great instrument, I still find it impossible to disguise to myself or to others the immensity of the act which so far has been accomplished, and which we all hope to see brought to its full fruition in a few weeks' time.

What is that 60 nations have done? For the first time in their history they have renounced war as an instrument of policy. I think it is worth the while of all of us, be we charged with immediate responsibilities of government, be we exponents or instructors of public opinion, or be we simple citizens of our several lands, to consider what are the implications of the pact to which we have set our name. I say, for myself and for the Government which I represent, that from the first moment when we received the proposal of the United States Government we recognized it as important, and our earnest effort was to help it to its conclusion, and that since we have signed it we recognize to the full its implications in the conduct of our own foreign policy and the obligation which it imposes on us to seek the settlement of all international differences by peaceful means. So much is obvious on the face of the document if you consider what is implied in that solemn declaration. Being parties to a document in which others as well as ourselves [illegible] degree responsible for the [illegible] Pact, because he suggested to his audience that it would be a very good plan to call a conference of all the great self-governing nations with the object of agreeing among themselves that no one of them should go to war with any other without first taking a vote of the electors. He went on to suggest, in order to give the democracies time to think the matter over, that as part of the same compact they should agree that they would not anyhow go to war with one another for the next 100 years. It was not a very big step from that to sympathy with the suggestion that they should not go to war with one another at all. Perhaps Mr. Kellogg might have studied the address of Mr. Houghton to the Harvard Association. They would all be sorry when Mr. Houghton went back to his own country. Whether they would find a sphere of public usefulness for him there they could not tell. Unhappily in America the Second Chamber was subject to the vagaries of the popular vote. (Laughter.) This at least he could say—any nation that could afford to do without the service of men like Mr. Houghton must indeed be happy in the qualities of competency of its citizens. (Cheers.)

He had read in the newspapers—those newspapers to which the Foreign Secretary had addressed certain words of exhortation—reflections on what they described as the deterioration of Anglo-American relations. He would like to say one word about those observations, which seemed to be based on the fact that, unhappily, their two countries had been unable to agree at one or two conferences. He thought it often happened that two peoples or individuals might be absolutely agreed as to their ideals, and yet might find themselves unable to agree as to the best method of achieving those ideals, but he had never yet heard that that unfortunate difficulty was a ground for distrusting either the friendship or the good faith of the other party. Since it had been his privilege to preside in the Supreme Tribunal it had happened to him at least once to find himself in a minority, and the greater respect he had for the wisdom and intellect of those eminent colleagues who overruled him, the more astonished he was at the unreasonableness of men who, with so much intellect, could yet disagree with what was so obviously the right view. (Laughter.) Even in some political parties—not, of course, his own (laughter)—there was not always unanimity of agreement as to the method by which the desired end might be achieved, and he had heard it whispered that even in Cabinets there was not sometimes complete unanimity as to the right course to adopt to achieve a given end, but he had never heard it said that because of that difference of opinion, therefore, they distrusted the friendship or lost faith in the loyalty of the colleagues with whom they found themselves at variance. They knew that their two peoples shared the detestation of the horrors of war, and they knew that they were united in a determination to substitute the rule of right for the rule of might. They knew that each of their two peoples was convinced that they could exercise the full liberty of their own sovereignty without in any way detracting from their respect for the liberties and for the rights and sovereignty of other nations, whether great or small. In the United Kingdom they watched with admiration, and, he hoped, without envy, the giant strides of the United States towards wealth and prosperity. They were conscious that they, too, enjoyed in their Empire a great heritage, and they believed they had the ability, as well as the determination, to develop its great resources by relying on the initiative and enterprise of the citizens of their own free people. It was because they regarded the signature to the Peace Pact as a step towards the goal of peace and good will on earth that they were assembled there that evening. (Cheers.)

THE COMPANY.

Those who accepted invitations included:—

The Norwegian, Austrian, Venezuelan, Greek, Afghan, Cuban, Bolivian, Persian, Netherland, Swiss, Swedish, Estonian, Bulgarian, Latvian, Czechoslovak, Yugoslav, Peruvian, Salvadorean, Liberian, Egyptian, Nicaraguan, Rumanian, and Lithuanian Ministers, the Diplomatic Agent for Iraq, the Chinese and Colombian Charges d'Affaires, the Counsellors of the Polish Legation and French Embassy.

The High Commissioners for South Africa, Southern Rhodesia, and New Zealand; Mr. Dulanty (Acting High Commissioner for the Irish Free State); Mr. Malcolm Trumble (representing the High Commissioner for Australia), Sir Campbell Stuart (representing the High Commissioner for Canada), Mr. F. A. Sterling (Canadian Minister to the Irish Free State), Mr. Van Rensselaer (American Committee, Institute of International Relations, League of Nations).

Archbishop Davidson, Sir John Sandeman Allen, M.P., the Agent-Generals for Western Australia, South Australia, Tasmania, Nova Scotia, Queensland, Quebec, British Columbia, Mr. Ray Atherton (Counsellor, American Embassy), Sir Martin Archer-Shee, Sir George Badgerow, Lieutenant-Colonel F. Bailey, Captain S. E. Bailey, R.N., Mr. Harold Baker, Sir Montague Barlow, Mr. J. A. Barratt, K.C., Lieutenant-Colonel J. Barrett-Lennard, Sir Charles Barrie, Mr. James M. Beck, jun., Sir Arthur Shirley Benn, M.P., Mr. W. R. Bisschop, Commodore G. Blake, Mr. Neal D. Borsum, Mr. Wyse G. Borsum, Colonel Frank Braithwaite, Sir Harry Brittain, Sir Bruce Bruce-Porter, Mr. R. L. Buell, Major John Buckley, Mr. W. A. Bulkeley-Evans, the Rev. J. Goldie Burns, Sir William Burton, Mr. Cecil de Campbell, Sir Ainsley Carr, Sir William Carruthers, Lord Cecil of Chelwood, Lord William Cecil, Mr. W. L. Cooper, Dr. T. F. Cotton, Mr. Raymond E. Cox.

Mr. E. L. Craig, Lieutenant-Colonel Sir Morgan Crofton, Sir Arthur Crosfield, Brigadier-General A. C. Critchley, General Sir Arthur Currie, Dr. J. W. Davies, Mr. G. W. Dawson, Mr. H. E. Derrick, Mr. L. de Gruyther, K.C., Professor N. T. Dowling (Director, American University Union in Europe), Lord Dunmore, V.C., Lieutenant-Colonel F. J. P. Edmann, Sir Herbert Ellissen, Lord Erleigh, Mr. H. Eschlid, Lord Fairfax, Lieutenant-General Sir Matthew Fell, Colonel W. J. Fernie, Sir Algernon Firth, Mr. H. A. L. Fisher, Dr. Archibald Fleming (Chaplain to the Pilgrims), Rear-Admiral E. J. A. Fullerton, Brigadier-General M. Foley Gage, Captain W. W. Galbraith (U.S. Naval Attaché), Lieutenant-Colonel Sir H. L. Galway, Mr. J. L. Garvin,

(Continued at foot of next column.)

Mr. W. G. Gardner, Commander J. O. Gawne, U.S.N., Lieutenant-Colonel Sir Walter Gibbons, Captain G. H. Gilbey, Lieutenant-General Sir Webb Gillman, Mr. W. W. Grantham, K.C., Mr. Clarence Graff, Mr. Herbert Greenfield (Commissioner for Alberta).

Sir H. Homar Greenwood, K.C., M.P., Captain Douglas Hacking, M.P., Mr. Albert Halstead (American Consul-General), Major-General Sir John Hanbury-Williams, Mr. P. J. Hannon, Sir John Henry, Sir Francis Horey, Sir Capel Holden, Captain A. U. M. Hudson, M.P., Mr. Percy Hurd, M.P., Lord Inverforth, Judge V. K. Kellogg, Mr. C. F. Kennedy, Sir Woodburn Kirby, Lord Kylsant, Sir Arthur Lawley, Lieutenant-Colonel Sir James Leigh-Wood, Mr. Edgar W. Light, Mr. H. C. Levis, Sir Ronald Lindsay, Mr. C. A. McCurdy, K.C., Sir William Max-Muller, Colonel T. H. Minshall, Sir Archibald Mitchelson, Mr. J. B. Monck, Sir Newton Moore, General Sir Archibald Murray, Mr. John Murray, Sir John Norton-Griffiths.

Admiral Sir William Pakenham, Lieutenant-Colonel Woodbine Parish, Lieutenant-Colonel J. C. Pringle Percy, Sir Ernest Roney, Mr. H. Gordon Selfridge, Sir Hewat Skinner, Mr. L. G. Sloan, Lieutenant-General Sir Arthur Sloggett, Vice-Admiral Sir Aubrey Smith, Sir Newton Stabb, Sir Albert Stern, Sir Edward Stern, Judge Sturges, K.C., Sir Frank Swettenham, Mr. J. Temperley, Sir Brunowell Thomas, Colonel J. R. Thomas (U.S. Military Attaché), Mr. D. Croal Thomson, Lieutenant-Colonel Norman Thwaites, Dr. Stanley Todd, Admiral Sir Reginald Tupper, Mr. L. L. Tweedy, Colonel T. J. Uzielli, Mr. H. R. Uzielli, Lieutenant-General Sir Louis Vaughan, Sir Charles Wakefield, Sir Herbert Walker, Colonel A. R. Webb-Johnson, Sir Archibald Weigall, Mr. Andrew Williamson, Mr. Evelyn Wrench, Mr. C. T. Hagberg Dr. Ernest Young, and Mr. J. Wilson Taylor (hon. secretary and treasurer).

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THE "TIMES" - 6.12.28

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"A TIME FOR THINKING."

The last few weeks have been remarkable for an unusually vigorous, sustained, and open exchange of idea and argument across the Atlantic. Few days have passed without some statement, more official or less official, from one spokesman or another on either side, on the relationship of the United States to Europe and to ourselves. With Congress now sitting, the two measures which contain the whole germ of the discussion have passed into the practical stage, and are absorbing the attention of America. MR. COOLIDGE has provided the first surprise of the Session by asking for the passage of the Cruiser Bill without the time clause. Round this request, and round the question of priority as between the cruisers and the Pact, the first operations of various sections in the Senate will revolve, and in the circumstances a certain natural caution restricted the opportunity which the Pilgrims offered to SIR AUSTEN CHAMBERLAIN and to the AMERICAN AMBASSADOR last night. MR. HOUGHTON was perforce content with reminding his audience that it was the Senate's undoubted right to accept the Pact or to reject it. He spoke to the main theme rather by reference to the model frontier that divides the United States and Canada, and to his conviction that democracy demands peace as the very condition of survival. SIR AUSTEN CHAMBERLAIN supplemented, and perhaps qualified, the AMBASSADOR'S argument with two reminders—first that the Canadian border, along which he was travelling a short time ago, was the frontier not of Canada alone, but of the British Empire, and, secondly, that, if democracy needs peace, its conditions must be accepted and upheld not by Ministers only but by citizens. All that MR. HOUGHTON said of the undefended land frontier must equally be said and should hold good of the sea frontier. Both speeches drew confidence from the same example, and SIR AUSTEN, giving the Pact an emphatic welcome, accepted it as an instrument, when ratified, capable of a revolution if the change in international dealings which it implies is understood and fulfilled. No one, for the moment, can go beyond these sincere but necessarily general expressions of good will.

The international dialogue that has been moving in such lively fashion was begun by MR. COOLIDGE himself. If his Armistice Day address was intended to "test the echo," it certainly succeeded. On the whole it seems fair to claim that echo softened what was harsh in his accents and rang out to what was melodious; and some of its vibrations have been nearer accuracy than the original note. Among the last of these is the letter from MR. BRAND which was published in these columns on Tuesday. No tribunal exists which could make a final assessment and comparison of the services of the Allied nations to the cause which they upheld in common. Nor is such a tribunal required. For reasonable people in all countries it is enough that each of the victorious nations gave to its utmost and gave something indispensable. To revive nowadays as tarnished rivalry what was once honourable emulation is obviously profitless, and impairs the force of an example for collective well-doing in peace. The reproach, which is seldom in fact expressed, that the United States "did "well out of the War" was answered by MR. COOLIDGE in comparative terms. But some of the figures with which he undertook to prove the contrary did others injustice. MR. BRAND'S analysis shows that MR. COOLIDGE has vastly overstated the cost of the War to America. His conclusion—and there seems no good reason why anyone should want to dispute it—is that, whether the United States made a loss or a profit "out of" the War, the wealth of the nation undoubtedly increased during the War. There, perhaps, the last reverberation from Armistice Day, 1928, may be left to die away. It comes from an expert and from a student and whole-hearted admirer of the American war effort, and it will not have been lost on the more attentive of American ears.

The rest of the symposium, including the dinner of the Pilgrims last night, has been concerned with more general statements of principle. MR. BALDWIN in his speech on the Address agreed with MR. COOLIDGE that Europe and the United States were lacking in mutual understanding. He gave significant praise to the practice of personal consultation which is now habitual in European statesmanship, and he gave significant credit to the personal touch between British and American bankers for the signal successes they have had in the upbuilding of peace. A few days later LORD LEE, a former First Lord of the Admiralty and [illegible] the authors of the Washington Treaty, brushed aside the possibility of a serious quarrel between the two peoples and looked forward to the right kind of conference at the right time as a certain solvent of the naval dispute. These speeches elicited comment in varying degrees of caution and good will from the American Press. Incidentally they also brought MR. BRITTEN, chairman of the Naval Committee of the House of Representatives and a protagonist of the "Big "Navy," into the limelight with the suggestion that legislators should step in where executive Ministers have, for the present, had to confess failure. The many thermometers which have lately been dipped in the current of Anglo-American sentiment may therefore be said to show no decided change of temperature. This stream still crosses the Atlantic, and, while it is as susceptible to storms as others, there is still something peculiar to it, distinguishing it from the rest. The intense concern and sympathy with which the American public is following, in company with his own subjects, the fluctuations of the KING'S illness is warm and instinctive evidence of a certain intimacy between them that survives after all the stuff of peroration has been heavily written down.

It is not hard to say in a general way how our relations with America should be viewed at the moment. There is no fundamental or irremovable difference to threaten catastrophe. There is nothing to justify panicky thought or procedure. On the contrary, there is a reassuring amount of good sense seeking its outlet. But the initiative at the moment is not on this side. There is a time of discussion ahead bounded by the year 1931. Much sooner than that we shall know whether the Senate will or will not ratify the Kellogg Pact, the central point of last night's oratory. That is a document binding its signatories to regard recourse to arms—save in reply to armed violence—as an international offence. If and when it is ratified, it is bound to modify previous calculations. All its implications will need to be examined. In particular, its bearing on the requirements and objects of naval and military defence will have to be studied in

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several countries, including our own. The completion of the Pact will not supersede ordinary prudence. The twin measures of Republican policy now before Congress in its last session express the truth. But the Pact is a first step in a sequence that may strip the definitions and limitations of belligerent and other rights at sea of all but academic interest. It may and should begin to demobilize a dispute that has no practical importance save under conditions morally excluded by the Pact. Disarmament cannot proceed by simple arithmetic. It is the nature of disarmament to abhor a vacuum. By itself it is merely an argument from unknown premises. The Pact is a first attempt at the establishment of agreed premises. When it is in force, it will be time to take fresh stock of world-relations and to go on to draw logical and unhurried conclusions. No better words could be borrowed to describe the actual moment than those which the PRIMATE used at Canterbury on Tuesday about another current controversy. "The problems," he said, "are grave. They cannot be ignored, "or covered over by any easy optimism, or "allowed to drift. But, just because the issues "are grave, it is a time for thinking, not for "shouting."

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THE TIMES, 4th December 1928

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ANGLO-AMERICAN RELATIONS.

MR. PHILIP KERR'S LECTURE.

The American Ambassador, Mr. A. B. Houghton, presided last night at a lecture on Anglo-American relations given by Mr. Philip Kerr at Birkbeck College. Mr. Kerr, as secretary of the Rhodes Trust, the American Ambassador said, had travelled from one end of America to the other, and had, therefore, kept in close touch with contemporary thought in America.

Mr. KERR said that he wanted first to put before them a few elementary facts about the United States. We were apt to think of it as a compact national State of old traditions. The United States was as big as the whole of Europe; London was nearer to New York than San Francisco. Just as one could imagine the difficulty in the late War of getting Europe to do anything as a whole, so one could understand something of the difficulties the United States faced, as a whole, in adopting any policy in relation to the outside world.

He would like to say a word or two about the split of 1776. It had been said that if one really wished to see the British case in the War of Independence American history had to be read, and *vice versa*. The various Dominions comprising the British Commonwealth had at times protested against what was known as Downing-street control, but now they were completely independent nations controlling their foreign and domestic affairs, and they formed a self-respecting group of nations who were working together. It was perfectly obvious that such a solution was impossible in 1776, for the one thing that made the problem difficult was that of finding unity between the 13 states themselves.

The British Empire had almost wholly grown since 1776, but before contrasting it with the growth of the American Colonies since that date he wished them to observe that it was always when nations were isolated from the rest of the world that they developed. In this connexion he instanced the Jews, Greece, and Rome, and, lastly, Great Britain itself. The United States had similarly developed. From 1776 until 1917 America had lived alone, and in perhaps the greatest isolation of any country. And America, like the older examples, had developed ideas which were just as important and just as vital to the future of the world. What had happened to Great Britain since that date? She had been a great colonizing nation, and had been the great champion of liberty in the world.

The Declaration of Independence was a much more serious thing than was generally thought. It was a declaration of thinking independently, not as the Old World or as Great Britain; the American people were going to think out the problems of civilization for themselves. Anyone who now travelled in the United States could not fail to realize that independence was one of the characteristics of the people. The United States had made a success of the Federal system, which made possible their third contribution to civilization—democracy.

With regard to the economic side of history, which was becoming more and more intertwined with the political, he referred to the Industrial Revolution in Great Britain, when in the 18th century this country occupied a unique position in the world. After dealing with the gradual development of imports and exports he stated that just before the War the annual export of capital was about £200,000,000. In the United States, after the Civil War, a new process arose, a vital change; people turned to the production and distribution of commodities, and to-day they had a standard of living incomparably higher than any other country in the world. If London were taken as 100, then Philadelphia was 180, France 63, Belgium 49.

The United States had certainly solved the problem of poverty, although she recognized that her system did not solve distribution of work. Human progress depended more on raising the thinking power of the people than on any Government in the world. America was slowly approaching the same position that Great Britain was in in 1840. The proportion of people engaged in agriculture was slowly falling, and the proportion engaged in industry correspondingly increasing. In other words she was following exactly the lines Great Britain had followed. The process seemed to be inevitable, and, moreover, in 1926 the United States exported capital to the value of £300,000,000.

He finally referred to the education and literature of the United States, and said that 700,000 people between the ages of 18 and 22 were attending the various universities.

He did not think that there was any ground, political or economic, between the two nations which might lead to war or which war could solve. Great Britain and America had got a common object—to preserve the peace of the world. (Cheers.) They had already come together with a common object in the Great War, and peace was now essential to both that they might develop their standard of living and that of the rest of the world.

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[A 7939/7939/45]

No. 1.

Sir E. Howard to Lord Cushendun.—(Received November 20.)

(No. 2211.)

Washington, November 7, 1928.

My Lord,

I HAVE the honour to enclose herewith a despatch which has been addressed to me by Colonel Pope-Hennessy, military attaché to this Embassy, respecting the visit of Field-Marshal Lord Allenby and Lady Allenby to the United States. The field-marshal came to this country as the representative of the British Legion to attend the convention of the American Legion which was held this year at San Antonio, Texas.

2. As Colonel Pope-Hennessy says, the visit of the field-marshal was an unqualified success, everything that he did or said having won the hearts of those with whom he came into contact. I doubt if any British speaker, during the four and a half years I have been in this country, has done so much to promote good feeling and understanding as Lord Allenby. There is fortunately a very friendly feeling in the American army generally for their British brothers in arms, and this the field-marshal's visit has no doubt greatly strengthened and confirmed.

3. I cannot conclude this despatch without drawing your Lordship's attention to the many and particular honours shown to Lord Allenby by the American War Department and by American army officers wherever he went in this country. I venture to hope that should any distinguished American soldier visit Great Britain at a later date, even if only in a semi-official capacity, as, for instance, guest of the British Legion, he may be shown similar courtesies, and that the good feeling between officers and men of the two armies may thus be maintained and promoted.

I have, &c.

ESME HOWARD.

Enclosure in No. 1.

Colonel Pope-Hennessy to Sir E. Howard.

(No. 3.)

Washington, November 6, 1928.

Sir,

IN compliance with orders from Mr. Campbell, His Majesty's Chargé d'Affaires in your Excellency's absence, I met Field-Marshal Viscount Allenby on the 2nd October at New York on his arrival to attend the convention of the American Legion at San Antonio as the representative of the British Legion. The field-marshal's visit concluded on the 31st October, when he sailed for England on board the steamship "Berengaria." Throughout his visit the field-marshal was treated as a distinguished guest by all the American municipalities with which he came in contact, and had signal honour paid to him by the American army.

2. On his arrival in New York on the 2nd October on board the steamship "Majestic" a reception committee representing the Mayor of New York proceeded to quarantine to meet the field-marshal and bring him to the city. The United States army was represented on this committee by Major-General James G. Harbord, formerly Chief of Staff of the American army in France. On passing Governors Island, the headquarters of the Second Corps Area, United States army, a salute was fired by the saluting battery. From the Battery Pier, where the field-marshal landed, he was escorted through the streets of New York by a posse of traffic policemen on motor bicycles, who kept the streets clear.

3. In New York he was entertained by the Zionist Organisation of America, and was received at the City Hall by the Mayor of New York, Mr. James Walker, who presented to him the medal of New York City.

4. On the evening of the 4th October he was guest of honour at a dinner given by the Pilgrim Society, presided over by Dr. Nicholas Murray Butler, president of Columbia University. In introducing the guest of honour to the distinguished company, Dr. Butler spoke in terms of the highest eulogy of the field-marshal's campaign in Palestine, and prophesied that when the names of all the other

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commanders in the late war had faded into oblivion, that of Lord Allenby would be remembered as the deliverer of an ancient land sacred to three of the great religions of the world.

5. Dr. Murray Butler, who is himself a convinced pacifist, might have had some difficulty in welcoming appropriately a distinguished soldier, but with an ingenuity as surprising as it was remarkable, he got round this difficulty by assuring his audience that in Lord Allenby they had among them a great soldier, and that soldiers are the good men who end wars, and are not to be confused with the wicked men who begin wars, namely, diplomatists, statesmen and journalists. The field-marshal, in his reply, laid stress upon the necessity for friendship and understanding between the British Empire and the United States if civilisation as we know it is to continue in the world, and entered a plea, which appeared to me to be as effective on his audience as it was obviously sincere, for moderation in criticism on both sides of the Atlantic. The field-marshal's speech had a remarkable reception.

6. From New York Lord Allenby proceeded viâ Philadelphia, where again he was accorded a civic reception, to San Antonio, in Texas, to attend the convention of the American Legion. This great function, attended by veterans of the late war from all parts of the United States, was presided over by the commander of the American Legion, the two guests of honour being General Pershing and the field-marshal. Here Lord Allenby was given a great ovation.

7. In his speech to the convention the field-marshal emphasised the fact that the two great nations which fought side by side in the war, the American nation and the British nation, "by their example will have a preponderating influence on the world, increased by the fact that they have stood together in the past and that they will stand together in the future." He went on to make an eloquent appeal for peace in the world, and expressed his conviction that the Kellogg Pact was the greatest constructive measure making for peace which had as yet been put forth. This speech of the field-marshal's was favourably commented on throughout the American press. In fact, the Baltimore "Sun" of the 10th October, in a leading article, went so far as to say that whereas the field-marshal, when asked what he thought of the Kellogg Pact, had replied: "It was the finest achievement of modern times," General Pershing's comment on the Kellogg Treaty "was full of hesitation and qualifications, with much of the old story about unchanging human nature in it." That paper concluded its leading article by saying: "Comparing the words of these two military figures, an American cannot help but regret that the lofty, idealistic view is taken by the British representative, while the narrow, technical, materialistic position is assumed by his own countryman."

8. From San Antonio the field-marshal proceeded to California to stay with friends, and thence to Chicago, where again he was the object of civic and other courtesies.

9. On the morning of the 27th October the field-marshal and Lady Allenby arrived in Washington. In accordance with your Excellency's orders, the assistant military attaché and I were present at the station, together with Colonel Charles C. Allen, United States army, detailed by the Secretary of War to act as personal aide-de-camp to the field-marshal during his stay in Washington, and Mr. Hampson Gary, his host in Washington, who was American Minister in Egypt during the Palestine campaign and a part of Lord Allenby's tenure of office as British agent at Cairo.

10. I had been informed by the War Department that it was the desire of the Secretary of War and the United States army to pay all honour possible to Lord Allenby during his visit to Washington, so, in co-operation with the foreign liaison officer, General Staff, and Mr. Hampson Gary, a programme was worked out for the field-marshal's stay. This included an audience with the President at 12·15 P.M. on the 27th October, when your Excellency presented the field-marshal to Mr. Coolidge. At 12·45 P.M. the field-marshal visited the War Department, where he was received by Mr. C. B. Robbins, Assistant Secretary of War. The Secretary of War, Mr. Dwight F. Davis, and the Assistant Secretary for Aviation, Mr. Trubee Davison, were absent from Washington owing to the presidential campaign then in progress. Mr. Robbins, however, cancelled an important political engagement at Pittsburg in order to return to Washington to receive the field-marshal personally. Major-General Charles P. Summerall, Chief of Staff, was absent on an inspection tour on the Pacific Coast. Mr. Robbins presented all the general officers in the War Department to the field-marshal.

11. At 1 o'clock Major-General Herbert B. Crosby, Chief of Cavalry, and the cavalry officers in Washington, some sixty in number, entertained the field-marshal

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at luncheon at the Army and Navy Club, where he was asked to speak on the future of cavalry. His speech met with the warmest possible reception from the assembled cavalry officers, who made it clear by their applause and subsequent comments that not only had they found in Lord Allenby a potent champion of the ideals they entertained for the future of their own arm, but that in his person they were proud to meet the foremost cavalry leader alive to-day: the man who had "put the horse back on the map of war."

12. After luncheon we proceeded to Fort Myer, where the field-marshal was received by a guard of honour (a troop of the 3rd Cavalry), and a salute of nineteen guns was fired (two more than is given for the most senior living American officer, who is only entitled to seventeen). Thence, escorted by the guard of honour, the field-marshal proceeded to the National Cemetery at Arlington, Virginia, where he was received by Brigadier-General Herbert O. Williams, commanding the District of Washington, and laid a wreath on the Tomb of the Unknown Warrior.

13. From Arlington National Cemetery the field-marshal proceeded viâ the Washington and Lincoln Memorials to Walter Reed Military Hospital to greet the surviving wounded veterans of the late war from their British comrades. Some fifty "grands blessés" of the war were assembled in the Red Cross Hall at the hospital and cheered the field-marshal to the echo on his arrival. He spoke to a number of individual men, and created a very good impression by insisting that, when the moment came for the assemblage to be photographed, an old, white-bearded veteran of the civil war should stand by him when his photograph was being taken, "as we are the two oldest soldiers in the room." The field-marshal then addressed the wounded men. If I may say so without impertinence, his words were admirably chosen and expressed with a sincerity which deeply moved his audience. The visit of the field-marshal to Walter Reed Hospital was an act of thoughtfulness and kindliness which will long be remembered, as these wounded men are not the object of much attention from prominent individuals in their own country.

14. From Walter Reed Hospital the field-marshal came to my house, where he received about 150 of the senior officers of the United States army, navy and marine corps. Many of these officers have since told me what an honour they felt it to be to be presented to a great soldier who had shown himself a past-master in open warfare, a form of warfare in which the American army specialises.

15. That evening your Excellency entertained the field-marshal and Lady Allenby at dinner at the Embassy, followed by a reception.

16. Next day, the 28th October, the field-marshal and Lady Allenby were entertained by their hosts, Mr. and Mrs. Hampson Gary. As an act of courtesy to a distinguished visitor, Mount Vernon, the home of George Washington, which is usually closed on Sundays, was specially opened to enable the field-marshal and Lady Allenby to see it.

17. On Monday, the 29th October, at 10 A.M., the field-marshal visited the Army War College by invitation of Major-General William D. Connor, the commandant, who had asked me to cable the invitation before Lord Allenby left England. The field-marshal was met at the gate by General Connor, and was saluted with nineteen guns when entering and leaving the grounds of the War College. In addition to the students of the War College, who comprise the most promising officers of the United States army, who, after passing through the Staff College at Fort Leavenworth, are given a course of training in the operations of the higher formations at the War College, there were present most of the senior officers of the General Staff at the War Department. The field-marshal was asked to address the students, and spoke on the future of cavalry in relation to mechanisation. His speech was warmly applauded and produced a deep impression upon his audience. I formed that opinion at the time, and it has been confirmed since in conversation with officers who heard him. His personality has impressed the officers of the American army deeply. Many, whose admiration of his operations was due to study of his campaigns, after meeting him and hearing him speak have been left with feelings so warm that it would not be incorrect to describe it as hero-worship.

18. Lord and Lady Allenby left Washington at noon on the 29th October. On the 31st the field-marshal visited the United States Military Academy at West Point under arrangements made by Second Corps Area Headquarters. From time immemorial Wednesday afternoon has been sacred as a half-holiday at West Point and devoted to games. On this occasion, however, the routine of the Military Academy was altered and a review held for the field-marshal.

19. The field-marshal and Lady Allenby left New York in the "Berengaria" on the night of the 31st.

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20. From first to last the field-marshal's visit to America was an unqualified success. In all his public utterances he struck the right note, that of friendship and understanding. He showed a sincere love of peace, and in doing so placed himself in tune with the great majority of the inhabitants of this country. His success in winning the respect, and I think also the affection, of the American army was little short of amazing. It is, indeed, fortunate that the British Legion was so well-advised as to entrust the task of representing it at the convention of the American Legion in Texas to Field-Marshal Viscount Allenby.

21. I attach, for the information of the War Office, one set of cuttings from the press dealing with Lord Allenby's visit.*

I have, &c.
R. POPE-HENNESSY,
Military Attaché.

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* Not printed

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EXTERNAL AFFAIRS.

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The Fo. memorandum sets out to review the advantages of friendly relations with the U.S.A. Since 1926 relations have definitely deteriorated, but in spite of the efforts of the Big Navy party the mass of the people are not as yet ill disposed to us. But there are always certain irremovable causes of friction, and so in the absence of an effort to improve relations, they will tend to deteriorate still further. It is a mere form of words to say that "war is unthinkable," and there will need to be a positive policy for improving relations by settling such problems of the first magnitude as:

1. Naval Limitation;
2. The controversy as to belligerent rights;
3. Conclusion of the Arbitration Treaty;
4. Settlement of the Reparations problem;
5. The so-called British reservations to the Kellogg Pact.

They are all interrelated and their solution depends on the formulation of a general policy for uniform application and the balancing of political against technical considerations.

The memorandum then sets out the necessity for seeking good relations and the impossibility of reaching agreement on various outstanding questions without United States co-operation. It ends by stressing that settlement can only be reached, not by jealous bargaining but by broad conciliation and applying the principles to the Naval Disarmament Problem. The first part of the memorandum is useful, but having set out the need for agreement, the latter portion does little or nothing to suggest any lines of positive policy.

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[J 2564/2426/16] No. 1.

Mr. Chilton to Lord Cushendun.—(*Received September* 3.)

(No. 1816.)

My Lord, *Beverly Farms, Mass., August* 23, 1928.

WITH reference to my telegram No. 246 of the 18th August last, I have the honour to inform you that, according to the "Washington Post" of the 17th August, officials of the State Department point out that the proposed arbitration treaty between the United States and Egypt cannot possibly conflict with British interests in Egypt, because the second reservation of the draft, excluding from arbitration all questions involving the rights of third parties, will fully protect those interests. The same article states that the passages in the notes addressed by His Majesty's Government to the Government of the United States on the Multilateral Peace Pact, referring to "special regions" where foreign interference could not be permitted, have been interpreted (by whom is not stated) as an intimation to the United States Government that His Majesty's Government intend to request that questions involving this "British Monroe Doctrine" be excluded from the scope of the proposed new Anglo-United States Arbitration Treaty. If this should be the view of the State Department, it is of course possible that Mr. Kellogg's haste in opening negotiations with the Egyptian Government, before he sailed for France (he handed the draft treaties to the attaché of the Legation in the absence of the Minister and other senior members of the staff), may be due to a wish to forestall such a request, or to mitigate the effect on Egypt of his acquiescence in Sir A. Chamberlain's declaration, as far as the Multilateral Peace Treaty is concerned, or to discount in advance the effect of an eventual consent to the exclusion from an Anglo-United States arbitration treaty of questions involving the British statement of policy. I exclude as likely reasons for Mr. Kellogg's action both any feeling of irritation at the Anglo-French naval accord and any wish on the part of the new United States Minister at Cairo to start his mission by some sensational action. My experience of Mr. Gunther is that he is friendly to our country and not given to dashing initiative. The attitude of the Egyptian Minister in Washington is another matter, and it seems very probable that he has been doing his best to persuade the United States Government to give some striking proof that they look on Egypt as an entirely independent country. The United States are anxious to promote trade with Egypt and the Near East. (I know they are hoping to open a market for themselves in Abyssinia.) The Department of Commerce has for some time been advocating the cultivation of new markets, as European competition, the growth of which the department affects to take seriously, increases. A step of the kind just taken would, of course, please the Egyptians, and thus, no doubt, help in the development of commercial relations, and some flattering action may, of course, have been advocated for this purpose by Mr. Gunther. But I should say that that is the extent of his guilt. The fact that the position of the present Egyptian Government would apparently be strengthened *vis-à-vis* of the Wafd would be an added argument in favour of the step. I do not know, however, what would be the attitude of the Egyptian Minister in Washington towards such assistance to the present régime in Cairo.

2. There is a wider aspect of the question which I venture to touch on, as possibly accounting for Mr. Kellogg's *démarche*. But I mention it with great reserve.

3. I imagine that so long as the prosperity and strength of Great Britain are not fully restored, and during the adjustment of intra-Imperial relations and the development of the Empire into its destined position as a political body of irresistible strength, that it is necessary for our country to mark time, as it were, in its present position, and therefore, while for the moment unable to force its way to greater heights of national prestige, to take up no position from which it might be forced to retreat to the detriment of that prestige. The time will come when a pre-eminent position in the world will again undisputably belong to the British Empire, or, at worst, a partnership of not less than absolute equality with the United States. Meanwhile, the latter country, potentially at any rate, seems to be in a position to

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assume that leadership, if it knows how to use its temporary position and if it can definitely push its only rival from the status of superiority, or, at worst, of equality, which is still nominally at least hers, into second place; once this were done it would be difficult for our country to regain its position. This, if ever, would in any case seem to be the moment for the United States to try and assume the leadership once and for all if it can be done. It does not seem entirely impossible that the secret and sudden independent action of the United States in China, the equally secret and sudden initiation of negotiations for an arbitration treaty with Egypt, against the presumed wishes of His Majesty's Government and without previous consultation with them, where consultation might have been hoped for and expected, may be part of an attempt to elbow Great Britain by a series of small pushes into second place. Previous reports from this Embassy have spoken of the apparent feeling in some quarters here that the wishes of this country must be acceded to without question and to the impatience with which argument or opposition by others seems to be regarded. But I wish once more to say that I make the foregoing suggestion with great reserve.

4. I have already informed you of the secrecy employed by the State Department prior to the conclusion of the tariff autonomy treaty with China and of the directly misleading statements made to the Embassy on the subject. The intention of the Secretary of State to negotiate an arbitration treaty with Egypt provides a further example of this behaviour. The person who originally told me that Mr. Kellogg had no such intention had his information from someone who, he says, was "in a position to know" the facts, and who had been up to that time in the habit of giving him accurate news. My informant considers that he was the victim of flat and deliberate misrepresentation, and that there must therefore have been some reason for concealment. On the other hand, it is necessary to remember that too much importance can be attached to such conduct, which may but be a further example of that disregard of courtesy and of the feelings of foreign countries when domestic, political considerations may be involved, which we know so well.

5. Hitherto, there has been little or no comment in the press on the proposed arbitration treaty with Egypt.

I have, &c.
H. G. CHILTON.

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SIAM. May 14, 1928.

CONFIDENTIAL. SECTION 1.

[F 2378/153/61] No. 1.

Mr. Waterlow to Sir Austen Chamberlain.—(*Received May* 14.)

(No. 72.)

Sir, *Bangkok, April* 7, 1928.

A RECENT outburst of American propaganda here is perhaps worth reporting in connexion with the analysis of the pan-Pacific movement begun by His Majesty's Ambassador at Tokyo in his despatch No. 487 of the 19th September last, continued in your despatch No. 449 of the 16th November last in reply and completed in Sir John Tilley's despatch No. 646 of the 26th December last.

2. The cue was given by the King himself when, addressing a gathering of boy scouts, he urged young Siam to seek everywhere opportunities not for lazy self-indulgence, but for the development of qualities useful to the community. "For instance," His Majesty said, "the methods of prospectors for gold and iron ore in America and the attitude of American business men are good examples of the proper way to work. These are points you should notice when watching an American film." The Bangkok "Daily Mail" (a paper edited by an American on the usual lines of trans-Atlantic journalism) came out thereupon with the headline, "King cites America as Ideal for Scouts," and drew the moral that there is a parallel between the Siam of to-day and the America of yesterday, with its pioneers "transforming deserts and jungles into modern cities," an argument which Prince Svasti, the Queen's father (who, incidentally, is reputed to control the "Daily Mail" and is a definitely anti-British influence), developed a few weeks later at a banquet of American university alumni in a speech extolling the American spirit and American methods as things peculiarly fitted to be taken to heart in Siam. "Siam," Prince Svasti urged, "should follow in the footsteps of America, and in saying this I am repeating the thoughts of His Majesty the King. Siam to-day is in the state of the great Mississippi valley a century ago, awaiting full development, and we would do well to pursue our task in the spirit which impelled American pioneers," and so forth. At the same time there has been a spate of articles to the effect that nothing but advertisement is required to bring about "a real spiritual and commercial *entente* between the two countries," in the cause of which the "Daily Mail" has telegraphed an impassioned appeal to Captain Lindbergh to visit Bangkok.

3. These utterances have several of the marks which the despatches mentioned above bring out as characteristic of the pan-Pacific movement. They are based on a historical and geographical fallacy (nothing could be more absurd than the notion that Siam, an essentially agricultural country with no prospect of ever becoming anything else, has, in virtue of being incompletely developed to-day, a special spiritual affinity with the United States which were incompletely developed a century ago); they reveal a desire, to quote the words of your despatch to Sir John Tilley, "to harmonise divergent traditions and to arrive at a common solution of common problems" (although in this case it would be hard to say what the common problems are); they indicate a vague sense of solidarity as against Europe, and they tend to exalt America at the expense of Great Britain. Add to all this the growing tendency of the Siamese to look for help and advice to the United States, both because that country is, in their eyes, the one really disinterested Power and because it provides an unlimited field for the advertisement of Siam, and the conclusion suggests itself that we have here a measure of the force with which the pan-Pacific tide is flowing. If its outer ripples can wash even a country so remote from the main current as Siam, the store of latent energy at its source must be considerable.

4. So far as Siam is concerned, the process can hardly be regarded with satisfaction. It does not make war more unlikely, for there is no question of war in any case. On the other hand, apart from its anti-British tendency, it does harm by keeping alive old grudges and suspicions of European Powers, and, since a crescendo of mutual flattery is involved, by making the Siamese even more conceited than they naturally are.

5. Copy of this despatch has been sent to the Governor of the Straits Settlements.

I have, &c.
S. P. WATERLOW.

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EXTERNAL AFFAIRS.

UNITED STATES OF AMERICA-RELATIONS WITH GREAT BRITAIN.

.....

There has been a certain criticism of the British policy towards America and some circles advocate the taking of a stronger line with the United States on the ground that our present attitude of conciliation gains us nothing and loses us prestige in Europe. If such a policy were adopted, the British Embassy in Washington would require strengthening. Certain quarters consider that the Embassy does not at present put the British case, nor does it keep the Foreign Office well-informed with feeling in America. As the maintenance of Anglo-French relations on a good footing is one of the most important tasks of the day, this defect is a serious one.

from. RGC
18.X.28

27th November, 1928.

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EXTERNAL AFFAIRS.

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27th November, 1928.

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PRIME MINISTER'S DEPARTMENT. No.

SUBJECT:

U.S.A. Relations with Great Britain.

Despatch from Washington 27/I/28 reporting incidents of President Cosgrave's visit to the U.S.A.

13. IV. 28

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[A 1026/53/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received February 13.)

(No. 226.)

Sir, *Washington, January 27, 1928.*

AS was to be expected in a country which boasts as many Irish inhabitants as the total population of Ireland itself, the visit of President Cosgrave, as he has been generally styled in the press, has aroused very considerable interest. The arrival of Mr. Cosgrave and his entourage—consisting of Colonel Joseph O'Reilly, who has been acting as "Aid to the President," Mr. Diarmuid O'Hagerty, Secretary of the Council, Mr. Joseph P. Walshe, Secretary of the Department of External Affairs, and Mr. Desmond Fitzgerald, Minister for Defence—was heralded in advance, and their progress from New York to Chicago and Washington has been minutely reported and commented on in all the leading organs of the press. There can be no doubt, I think, that the visit has been a great success, and, from the editorials that have been brought to my notice, I can find nothing but praise of Mr. Cosgrave and his colleagues and of their achievements.

2. I understand that the authorities in New York City were not a little exercised by warnings that the Irish Republicans contemplated hostile demonstrations against the head of the Free State Government. It is reported that pamphlets were, in fact, circulated accusing Mr. Cosgrave of "having surrendered to the British in 1921" and abusing him at great length. In the mobs lining the New York streets it is reported that "a few signs could be read and a few voices were raised, but the cheers drowned out the unfriendly cries and the waving hats almost obliterated the printed slogans."

3. In any case, Mayor Walker did not intend to take any risks, and he had "the path of the distinguished guests" from the Battery to the City Hall lined "with the largest force of policemen ever called out to preserve order on such an occasion." There were more than 3,000 uniformed policemen, a bomb squad of twenty, about 100 detectives and a military guard of honour.

4. While still on the steamship "Homeric" at sea, Mr. Cosgrave sent the following message by wireless to the Associated Press:—

> "In sight of the American shore, my mind is stirred by emotions deep and real when I think that I am the first Irish leader who has come to this land bearing tidings of success already achieved.
>
> "My thoughts go back to the many who came fleeing from persecution and misery to find a haven in your hospitable land. I think of those who came seeking help for every movement for the winning of Irish freedom and the betterment of the condition of our people.
>
> "I am profoundly conscious that the first Irish State known internationally for many centuries, that Irish Free State which I have the honour to represent, could never have been brought into being without the assistance, generous, unstinting and continual, which all my predecessors for more than a hundred years received from the noble land which I am now approaching. The head of the Irish Free State has very solid reasons to greet the United States with love in his heart."

5. Before Mr. Cosgrave left for Chicago on the afternoon of his arrival in New York City, he admitted that he was cognisant of the unfriendly spirit that had manifested itself weakly as he moved from place to place, but he let it be known that the warmth of his welcome could not be misunderstood. In concluding a speech in reply to Mayor Walker's greeting in the more or less formal ceremony of the City Hall, Mr. Cosgrave said:—

> "I thank God that I have lived to see this day; that Providence has been good enough in our time to give our people that recognition for which they have sighed so long, and which New York, in the majesty and the magnificence of its great, big heart, has extended to representatives of my country to-day."

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6. Because the "Irish World," a New York publication, had demanded in large type that Mr. Cosgrave be asked the question, one reporter said to him: "Are you in favour of a republic in Ireland?" to which Mr. Cosgrave replied: "That is for the Irish people themselves to decide."

7. From all reports, Mr. Cosgrave's reception in Chicago was overwhelmingly cordial, and such reception was, I believe, anticipated. When it was suggested to Mr. Faherty, representative of "Big Bill" Thompson of Chicago, that there might be Irish Republican troubles in Chicago upon arrival of the "Free State Premier" there, he indignantly replied:—

> "The trouble makers are fellows who never forget anything. Now I've been in the Irish movement for years, but since it's settled I'm willing to lay back and give Ireland a chance to make good. If the trouble makers want to keep on scrapping, let them leave America. Let 'em go back to Ireland. There they can vote. Here they can only bellow."

8. In regard to Mr. Cosgrave's reception in Chicago, the special correspondent of the "Washington Post" wrote in part as follows:—

> "Although the city administration threw extraordinary police protection around President Cosgrave, the day passed without scandal and without excess of either sentimentality or rancour.
>
> * * * * *
>
> "Throughout the day of delegations, of public and private receptions, of the bestowal of wreaths at the statute of General Logan, and of speeches heard by 5,000 banqueters, the Irish President made an excellent impression.
>
> "His outstanding manifestation in meeting men from many walks of life was composure. Incessant greetings and scores of questions neither wearied nor flustered him. In personal conversation his voice was low and even his hand-clasp vigorous, and his laughter jovial but not loud."

9. To add to the significance of the welcome, Mayor Thompson, apparently breaking precedent, accompanied the reception committee to the station, and on Mr. Cosgrave greeting the mayor with "I am very glad to meet you, Sir," the latter is said to have boomed out "Welcome to Chicago. You're going to see a great city."

10. Mr. Cosgrave and his party arrived in Washington from Chicago on the morning of the 24th January. He was accompanied by Professor Timothy Smiddy, the Irish Free State Minister, and was welcomed by Mr. Castle, and Mr. Prentice Gilbert, of the Department of State, and by Mr. Sterling, United States Minister to the Irish Free State, Mr. Macaulay, first secretary of the Irish Free State Legation, and Colonel Pope-Hennessy, of this Embassy. An unofficial welcoming party of several hundred Washingtonians and travellers lined the path which the party took from the train to their motor cars. Although the large detail of police that guarded Mr. Cosgrave in New York and Chicago was missing here, his arrival was taken care of personally by the superintendent of police.

11. Made comfortable in the presidential suite at the Hotel Mayflower, Mr. Cosgrave, before starting his round of visits, discussed a number of subjects with the newspaper reporters. He declined, however, to talk about prohibition or domestic questions. In this connexion he is reported to have said: "I know enough about dealing with Parliaments to decline to comment on an act of your Congress." On the same occasion he said: "There are few heads of Governments who have administered their office with more satisfaction than President Coolidge. I am looking forward to meeting him with the greatest of interest." He is reported to have said also that Chicago had been libelled and likewise its mayor. He praised the order and traffic control of Chicago and characterised the mayor as a "kindly big American, full of enthusiasm." He told the press that the Irish Free State credit is good, that its budget was balanced and that taxes had been reduced 50 per cent. under his Government. He said that he regarded the protective tariff, as applied to 50 per cent. of all imports, necessary to maintain the general level of prosperity in Ireland.

12. Mr. Cosgrave and party lunched that day with Colonel Donavan, assistant to the Attorney-General. In the afternoon Mr. Cosgrave called on Mr. Kellogg at the Department of State and subsequently at the White House, after which they called at the Embassy and had tea with Lady Isabella Howard and myself. In the evening he and his party were entertained to dinner at the Canadian Legation by

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the Canadian Minister and Mrs. Massey, where a representative gathering of the judiciary, the executive and the legislative branches of the United States Government were represented. Lady Isabella and myself and various members of the Embassy and Canadian Legation staffs being also present.

12. The programme for Tuesday, the 24th January, consisted of a visit to the Arlington Cemetery to place a wreath on the tomb of the Unknown Soldier; a lunch at the White House; a reception at Colonel Pope Hennessy's house at 5 o'clock, and a dinner at the Mayflower Hotel in the evening given by Mr. Smiddy, at which it was noteworthy that there were no speeches. In the afternoon Mr. Cosgrave, while riding in Rock Creek Park, met Senator Borah, and I understand that the two continued riding together for a half-hour or more, the Senator pointing out the various spots of interest in the park.

13. The most noteworthy event on Thursday, the 26th January, was Mr. Cosgrave's visit to the Capitol. On entering the House of Representatives he was introduced by the Speaker as a "right welcome guest of the United States," and then shook hands with the members, who filed past. One paper remarks that there must have been times when "the Irish Executive thought he was in his own Parliament, for among the names that Majority Leader Tilson called out as the line moved along were Claney, Kelley, Casey, Connery, O'Connor, O'Connell, O'Brien, and many others that smacked of the 'ould sod.'" As Mr. Cosgrave left the House, there was much applause and, a few moments later, the reading clerk, Pat Haltigan, began reading the message which Mr. Cosgrave had left, thanking the American people for "the part they played in the winning of freedom for the Irish people." A copy of the message is enclosed herein.

14. On Mr. Cosgrave's entry into the Senate, the "Washington Post" reports that Congress broke all bounds of decorum in their expression of welcome. When he was introduced from the dais by Vice-President Dawes, the Senators rose and applauded. "Old timers cannot remember that this has ever been done before."

15. Earlier in the day Mr. Cosgrave paid homage at the grave of the first President of the United States. Accompanied by his official escort, he went to see Mount Vernon and laid a wreath on Washington's tomb. At luncheon he was the guest of the overseas writers at the National Press Club and, in a thirty-minute speech, sketched briefly the struggle of the Irish people during the period from 1916 to 1921. In the evening Mr. Cosgrave and his official party were the guests of Mr. Kellogg and afterwards attended a reception given in his honour by Mrs. Joseph Leiter.

16. Yesterday afternoon Mr. Cosgrave received the honorary degree of Doctor of Law at exercises in the gymnasium of the Catholic University of America. This honorary degree was the third to be conferred in the history of the university. King Albert of Belgium was one of the first to be so honoured. Yesterday evening Mr. Cosgrave and his party dined at this Embassy to meet the Speaker of the House and Mrs. Longworth and several Senators and representatives, and there was a small reception later, and this morning they left for Philadelphia by an early train. From Philadelphia they will go to Ottawa and then return to spend, I believe, three days in New York.

17. Up to now the only distinguished visitor from Ireland during the last few years has been Mr. de Valera, who has generally come in search of funds for his party. More than one speaker has emphasised the fact that Mr. Cosgrave has come "asking for nothing." Mr. de Valera is actually in this country at the present time, I believe, and it is interesting to observe that whereas the Cosgrave visit has been well on the front pages of the press, Mr. de Valera's movements have for a long time past received no notice whatever.

18. I propose to send you by next week's bag a summary of all the editorial comments on this visit which may have come to hand by then.

I have, &c.

ESME HOWARD.

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Enclosure in No. 1.

Extract from the "Washington Post" of January 26, 1928.

MESSAGE OF GOODWILL.

FOLLOWING is the message the Irish Executive filed with the reading clerk of the House of Representatives :—

"As the first head of an independent Irish Government to visit the United States of America, it is my great privilege to convey to the people of America, through their electoral representatives, a message of gratitude and goodwill from the people of Ireland. Benjamin Franklin in 1771 told the Irish people, through the member of the Parliament of the Kingdom of Ireland, that America's weight would be thrown in their scale in order that Irish and American liberty might be achieved. His promise has been nobly fulfilled. American ideas of liberty and democracy have permeated the minds of men everywhere. Tyrannies and alien Governments have disappeared under their influence. Ireland's freedom has been obtained not merely by American advocacy of noble principles, but by the intense, devoted and constant support of the American people for the application of these principles to the Irish nation.

"I come to thank the American people for the part they have played in the achievement of our liberty and I bear to them, through their elective representatives, a message of goodwill and brotherly affection from the Irish people. May God make this nation prosper and may He watch over and perpetuate the bonds of blood and friendship which unite our two peoples."

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EXTERNAL AFFAIRS.

USA

Relations with Great Britain

"Pacific" Propaganda

Despatch from TOKYO 26 · XII · 28 : the Third in the series (for the others see below. Sir J. Tilley thinks fundamentally the views of the S of S and himself coincide. He then sums up — his objection is to the doctrine that the so called "Pacific" countries have a special mission to establish peace by proving their superiority over the EUROPE nations, the Pacific countries being USA and Japan alone

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Circulated to the Cabinet by direction of
The Secretary of State for Foreign Affairs.

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JAPAN. January 31, 1928.

CONFIDENTIAL. SECTION 1.

[F 461/153/61] No. 1.

Sir J. Tilley to Sir Austen Chamberlain.—(*Received January* 31, 1928.)

(No. 646.)

Sir, *Tokyo, December* 26, 1927.

I HAVE had the honour to receive your despatch No. 449 of the 16th November on the subject of pan-Pacific activities and would venture to offer the following further observations :—

2. I am entirely in accord with a view that we should not sulk in our tents in the face of these activities, and have myself made a point of accepting every invitation to attend and to speak at their gatherings. In Tokyo these occasions occurred several times in 1926 although not in 1927, but the pan-Pacific Club luncheons, which are well attended, take place once a fortnight and the speakers are almost invariably American.

3. You ask whether I do not confirm the view that it is chiefly for their immense wealth and resources that Japan respects the United States. No doubt this is so and like you I take comfort in the idea. But the pan-Pacific propaganda is a growth of recent origin and its energies are constantly being redoubled, so that my comfort is diminished when I reflect on the possibilities of successful advertisement. People who have no special taste in mustard are apt to buy Colman's or Keen's, but if all that they heard of Keen's were a series of depreciatory comments by Colman they would probably end by buying nothing but Colman's.

4. There is a further point. I do not believe in any danger of war between Japan and the United States in anything like the near future, not because I think the Japanese would greatly fear the actual fighting power of the United States, but because of their appreciation of the resources of that country and still more of the immense value of the market which it offers. This tranquillity in regard to the possibilities of war between the two countries involves a feeling that the pan-Pacific propaganda, in alliance with other forms of Japanese-American propaganda, has now an easier task than would be the case if war were still on the horizon, and may serve to develop closer general relations of a political and commercial order.

5. Peace is the greatest British interest, but if peace is assured without the help of any further propaganda we cannot regard the activities of the pan-Pacific associations with so much complacency. It is possible that the effect of such activities is not very great; but then one wonders who is influenced by advertisements, and when I am told that anti-foreign language in the Japanese press is negligible because the Japanese have no respect for their press, I am disposed to answer that in regard to things within their own ken they may not heed the press, but on matters of which they have no knowledge of their own they may insensibly do so.

6. However, I venture to think that, fundamentally, my view coincides with that expressed in your despatch. My own despatch was founded on objection to the use of the term Pacific countries. I am all in favour of harmonising the various traditions and attempting to solve the common problems of the countries bordering on the Pacific as a means towards the general peace of the world, but I dislike heartily, not the doctrine that the countries bordering on the Pacific have a mission to establish peace but that they have a special mission to do so, and to do so by proving their own superiority over the Europe nations, and I particularly dislike it when the "Pacific countries" are assumed to be Japan and the United States to the exclusion of all others.

I have, &c.
JOHN TILLEY.

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JAPAN. [November 16, 1927.]

CONFIDENTIAL. SECTION 1.

[F 8188/1059/61] No. 1.

Sir Austen Chamberlain to Sir J. Tilley (Tokyo).

(No. 449.)

Sir, *Foreign Office, November* 16, 1927.

I HAVE read with interest your Excellency's despatch No. 487 of the 19th September, in which you remark upon the large number of "pan-Pacific" societies established in Japan and upon the discussions of so-called "Pacific" questions at conferences held under their auspices. You regard the activities of these institutions as designed to further American at the expense of British interests in Japan, and to withdraw Canada and Australia from the British to an American orbit.

2. These pan-Pacific activities have been kept under observation by the Foreign Office for several years past. It was at first decided to hold aloof from them for reasons akin to those advanced in your despatch. But after the conference at Honolulu in 1925 of the Institute of Pacific Relations, the importance of the activities of that institute became manifest, and this, reinforced by the strong representations of His Majesty's Embassy at Washington, led to a change of view. Among the arguments used by His Majesty's Embassy was the necessity for recording a caveat against the view that Great Britain can be ignored in the Pacific. In consequence, a strong though unofficial British delegation participated in the conference held at Honolulu in the summer of 1927, and, so far as can be gathered, with advantage to British interests. It appears on the whole better to take a share in these activities than to let them develop without us. The attitude of so many Americans in Japan, which is to exalt themselves at the expense of Great Britain, is of course a perpetual annoyance, but we cannot stop it by sulking in our tents, and there is some comfort in the view, which I feel sure you will confirm, that it is chiefly for their immense wealth and resources that such respect as both Japanese and Chinese have for the United States is ultimately founded.

3. I fully share your impatience with the geographical and historical fallacies which play so prominent a part in the work of some of these pan-Pacific societies, but I am not convinced that their campaigns are quite so unintelligent or obnoxious to British interests as you seem inclined to suppose. For one thing—although, as you say, it is nonsense to pretend that there is anything special in common between Eastern Asia and America and Australia—the term "Pacific civilisation" so freely and usually so loosely used in the proceedings of these institutions has nevertheless, I suggest, an intelligible meaning. It may, I think, be used to express not so much a fact of social geography, which would be demonstrably absurd, as a belief that it is the duty of the peoples that border on the Pacific to harmonise their various divergent traditions and to arrive at a common solution of common problems. To such an aspiration there can be no legitimate objection. There is a further point that in dealing with the historically fallacious contrast drawn by pan-Pacific advocates between the Far East as the home of peace and Europe as the home of war it is well to take into account the perspective in which the affairs of Europe are viewed by the average onlooker in the Pacific area. Whatever the truth or falsity of this perspective may be, it is easy to see how it lends itself to exaggeration. There is no help for it and on the whole very little harm in it.

4. It is, I think, easy to over-estimate the extent to which the influence of the United States may be enhanced by pan-Pacific propaganda. I cannot feel that the existence of a few pan-Pacific societies will have any material effect in this direction, and, so far as His Majesty's dominions in the Pacific are concerned, it seems to me to be highly improbable that public opinion will accept American propaganda at its face value.

5. If, then, there is, as I believe, little to be feared from these societies, the question still remains whether they have any positive value. I think it possible that they have. It is clear that war, as it will have to be waged in the future, will become increasingly subject to the sanction of civilised public opinion. The propaganda conducted during the Great War shows both the extent to which public opinion may be directed, as well as the limitations imposed upon that propaganda by its very

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nature. But whether public opinion is formed by common-sense judgment upon a free and uncensored supply of information or by official propaganda, it still remains true that an understanding by one people of the points of view of others who are parties to a dispute will, on the whole, work for peace. Peace is the greatest British interest, and to this extent these pan-Pacific societies may be held to further British policy, even though they may be mainly directed in American interests.

I am, &c.

AUSTEN CHAMBERLAIN.

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JAPAN. [October 20, 1927.]

CONFIDENTIAL. SECTION 3.

[F 8188/1059/61] No. 1.

Sir J. Tilley to Sir Austen Chamberlain.—(Received October 20.)

(No. 487.)

Sir, *Chuzenji, September 19, 1927.*

I HAVE the honour to report that I have received, through the courtesy of the Tokyo branch office of the secretariat of the League of Nations, a copy of a pamphlet prepared by the League of Nations secretariat for the use of the Pan-Pacific Conference at Honolulu. The pamphlet, which you have doubtless received direct, is called "Notes on Certain Aspects of the Work of the League of Nations of Interest to the Pacific Countries."

2. On the contents of the pamphlet I do not desire to offer any observations, but I do think it well to call your attention to this official use of the term "Pacific countries." In Japan, pan-Pacific meetings of all kinds are frequent; there is a Pan-Pacific League and a Pan-Pacific Union, and there has been a Pan-Pacific Science Congress, and so forth. Many of these societies have been founded by an American gentleman named Ford, who lives, I believe, at Honolulu, and among the Japanese they have received high patronage, especially from Prince Tokugawa, the president of the House of Peers, who is always ready to patronise anything. Some English people look on these societies with a sort of amused contempt. Myself, apart from such scientific work as was done by the Science Congress last year —I suspect that that was small—I believe that these societies do very little good, and from the British point of view may do considerable harm as providing constant occasions for American propaganda. The object which I mentally assign to that propaganda is the discrediting of Britain and the withdrawal of Canada and Australia from the British to the American orbit.

3. It appears to me to be nonsense to talk about a Pacific civilisation as if there were anything special in common between Eastern Asia and America and Australia; it is, of course, arrant nonsense to talk as if the Far East were the home of peace, as contrasted with Europe the home of war; it is in my own opinion equally nonsense to talk of any part of North or South America as being more peace-loving than England. A history of a hundred years or so in the life of one isolated continent cannot show as many wars as the history of some thousands of years in three adjoining continents, but the amount of blood shed in different fashions in America is quite enough to deprive that continent of any claim whatever to a higher and better civilisation than that of England.

4. I have alluded in other despatches to the tendency among Americans to assume some greater sympathy between themselves and Australia than between England and Australia. I have also alluded to the attempt, now that the Anglo-Japanese Alliance has been sundered, to promote some special friendship between America and Japan at the expense of England. The unveiling next month of a monument to Townsend Harris will be an occasion for work in that direction. All these tendencies are covered by the general title of "Pacific." It may, of course, be said, as I have myself said in after-dinner speeches, that these societies help to promote peace in the Pacific and so contribute to the general peace, but from the British point of view it must be remembered that a "Pacific" peace might involve the refusal of Canada and Australia to come to the help of the mother country. These "Pacific" doctrines might also prove very injurious to British interests in China.

5. I often see references to the real sympathy and friendship felt in the United States for England. I hope those statements are true. My own work brings me only into contact with Americans as they are in Japan, whether residents or travellers; I am not speaking of diplomatists. My belief is that the tendencies of such Americans are mainly anti-British, and that the whole "Pacific" theory might easily become an annoyance, and in stronger hands even a menace, to the British Empire.

I have, &c.
JOHN TILLEY.

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U.S.A.

Relations with G.B.

Copies in { U.S.A. - Navy.
U.S.A./France - Pact to Outlaw War.
U.S.A./ G.B. - Arbitration Treaty.

Despatch to Washington 23/1/28 relating a conversation between S. of S. and U.S.A. Ambassador. They had touched (1) on the breakdown of the Geneva Conference and the U.S.A. naval programme " a serious one, not to be dismissed as a mere pretence". (2) The negotiations between U.S.A. and France - Ambassador emphasised that the proposal had come from M. Briand - "Why did he make it?" He expressed a wish that G.B. would avoid intervening at the present stage. (3) The renewal of the Root Treaty - the changes proposed were more of language than of substance and the new text amounted to very much the same as the old. The S. of S. said a change of language was usually intended to mark a change of substance - in case of a simple renewal the only question was as to the form of treaty to be agreed upon by G.B. and the Dominions; an enlargement of scope entailed consultation with the Dominions.

KG.

6/3/28.

6-III-28

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NORTH AMERICA. January 23, 1928.

CONFIDENTIAL. SECTION 1.

[A 546/406/45]

No. 1.

Sir Austen Chamberlain to Sir E. Howard (Washington).

(No. 132.)

Sir, *Foreign Office, January 23, 1928.*

THE American Ambassador called this afternoon.

It was the first time that I had seen him since his return from the United States. He spent an hour with me chatting pleasantly, but the conversation was not very important or very instructive, for he began it by saying that, though he had hoped to have instructions to speak to me on various matters and had sought for them, he had received none and his visit, therefore, had no object but to resume touch. Naturally, we spoke about the failure of the Three-Power Conference at Geneva and what has followed from it. I found that he shared my regret that, when he first asked me as to the probable attitude of the British Government if they received from the United States an invitation to such a conference, I had not suggested a preliminary and entirely confidential exchange of views as to the proposals which the United States contemplated making. Mr. Houghton said that the President had certainly been greatly disappointed by the failure, but he had not changed his policy. It would have been easy for him to rouse an overmastering feeling in the United States, but he had not done so. The United States had formulated a building programme, and it was a serious one, not to be dismissed as mere pretence, but the Ambassador was convinced that there would be no misunderstanding between the two Governments; his only anxiety arose from the state of public opinion in our respective countries and from the dangers which arise from indiscreet speeches and newspaper controversies. For himself, he said, he had determined that the best service he could render to good relations was to abstain from making any speeches throughout the spring.

I expressed my agreement with the Ambassador's view that in present circumstances the less said the better. I told his Excellency that, even before the conference had broken down, His Majesty's Government had decided to review the programme of naval construction which they had previously approved, and I remarked that he would have observed the reductions which we had made in that programme as it affected the present year and the year 1929. For later years the programme stood subject to such review as it was the normal duty of a Government to make as the time for its execution approached.

The Ambassador observed that it did not seem to him that any useful purpose would be served by attempting fresh negotiations on the subject at the present time. He remarked upon the fact that, in the course of the current year, there would be a Presidential election in America and elections in France and Germany, whilst a General Election must take place in this country not later than 1929, and he seemed to find in this series of electional contests an additional reason for deferring any fresh discussions on the subject.

We passed from this subject to the negotiations in regard to arbitration now proceeding between France and the United States. I told the Ambassador that I could not help regretting that there had not been more of that prior consultation in this case, the absence of which had proved so injurious to the success of the Three-Power Conference. He would remember that many months ago he had asked, on Mr. Kellogg's instructions, what would be the attitude of His Majesty's Government towards a proposal for the renewal of the Root Treaty. I had replied that I could take it upon myself to say, without any consultation with my colleagues, that His Majesty's Government would be prepared to renew that treaty, but that if it were desired to enlarge its scope I should have to consult the Cabinet and His Majesty's Government in Great Britain would have to consult the Dominions. He had then told me that there was no question of any change in the treaty, but merely of its renewal, and from that day until I had read in the newspapers the nature of the proposals which the Government of the United States had made to the French Government I had had no inkling of any change in their intentions.

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The Ambassador did not accept the justice of my comparison between the two sets of negotiations. He observed that the proposal to outlaw war had come from M. Briand, and he interjected the question, "Why had M. Briand made it?" I replied that I had had no previous indication of M. Briand's intention and that I had no precise knowledge as to the origin of his proposal. I suspected that it was something in the nature of a brain-wave which had occurred to M. Briand when making a statement intended to improve Franco-American relations and that probably M. Briand himself had no precise idea when he made his famous declaration.

Mr. Houghton agreed that this was probably so, but he remarked that, in any case, the proposal had originated with M. Briand. Political considerations could no more be neglected in the United States than elsewhere. There were people like Mr. Nicholas Murray Butler and a number of women and Senator Borah who took the matter up and the Administration could not refuse to entertain a proposal which, on the face of it, was an effort to avert the danger of war. Mr. Houghton rather flattered himself that the latest American note placed his Government in a favourable position and was something of a poser for M. Briand. He asked me if I saw any reason why M. Briand should object to make multilateral the terms of a treaty which he had been ready to conclude as between France and the United States. I replied that I thought that M. Briand was right in saying that he could not sign the multilateral agreement without a reservation of France's obligations under the Covenant. I was not clear that the same objection might not have applied to his own bilateral draft.

I asked the Ambassador whether he, who had so long represented his country in Germany, had formed any opinion as to how the proposed multilateral treaty would be regarded by the German Government. It seemed to me to present to them exactly the same difficulty as my original suggestion for the outlawing of war between Germany and Poland at Locarno and as the first draft of the Polish resolution proposed to the last Assembly of the League. I made it clear to Mr. Houghton that I did not press him for a reply on this point, and he did not give me one, though I think he clearly appreciated Germany's difficulty.

I told his Excellency that there had been no consultation between the French and British Governments on the subject of the French reply. M. Briand had excused himself for not taking the British Government into his confidence on the ground of the pressure which was exercised upon him by the United States Government to publish at once. The information which I had had about the treaties had reached me fragmentarily, and it was only last week that I could form a clear view of what was proposed and prepare a memorandum on the subject for my colleagues. I must consult them, and there must, of course, be consultations between His Majesty's Government here and in the Dominions. I hoped, therefore, that the American Government, who had now communicated their draft to me "for consideration," would not expect me to make an early reply.

The Ambassador said he was unable to speak for his Government, but he thought it would be a very good thing if we could avoid intervening at the present stage between France and the United States in regard to the multilateral treaty. He hoped, however, that no difference would arise in regard to the amendment of the Root Treaty. It appeared to him that the changes therein introduced were more of language than of substance and that the new text amounted to very much the same thing as the old.

As to this, I said that any tribunal which had to interpret a text of a treaty and found that new language had been substituted for that which had appeared in an earlier treaty between the same Powers would naturally say that such a change of language would not have been made unless it were intended to mark a change of substance, and they would seek to establish a difference between the two. I confessed that at present I was not very clear what that difference was. It was one of the points which we should have to examine and upon which it would be absolutely necessary for me to consult the other Governments of the Empire. In regard to a simple renewal of the Root Treaty, the only point which I had had to investigate was the form of treaty proper for signature in the present constitutional position of the States of the Empire, and on this subject I had already been in communication with the Governments of the Dominions.

I am, &c.

AUSTEN CHAMBERLAIN.

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Manchester Guardian 16.11.27.

USA - GB

BRITAIN AND U.S.: SOME DIFFERENCES.

Frank Discussion by Sir Auckland Geddes.

OUR "FEMININE OUTLOOK."

Criticism of Lord Cecil's Action at Geneva.

The Manchester Branch of the English-speaking Union, which was formed as the result of a suggestion made by Lord Derby last April at a luncheon given in honour of the American Ambassador, had its inaugural luncheon at the Midland Hotel yesterday. Sir Auckland Geddes was the chief guest and speaker, Lord Derby, president of the branch, took the chair, and there was a large company present.

Mr. E. Raymond Streat, the honorary secretary, read letters of congratulation from Mr. John W. Davies, chairman of the English-speaking Union in the United States; the Marquis of Reading, chairman of the Central Committee of the English-speaking Union; and Sir Campbell Stuart.

Lord Derby, in proposing the health of Sir Auckland Geddes, said they could already congratulate themselves on the success of the Manchester branch. They had asked Sir Auckland Geddes to be their guest that day because for many difficult years he was British Ambassador in the United States and because they felt that in him they had a man who had carried a message of goodwill from this country to the United States and who did much in that country to make the people see—and it was sometimes rather difficult—that we were in no way hostile to them. Sir Auckland was in America in many difficult and dangerous months, and, thanks to his courage and foresight he left America and England, when his term of office came to an end, better friends than they had been before his arrival there.

Lord Derby said he was one of those who believed in trying to get the people of different countries to understand each other, in the hope and belief that if the people understood each other the Governments might do so. (Laughter.) If they could cultivate good feeling between any two nations—to take the two in which he was most interested, France and the United States of America—they might do far more for the good of peace and consequent prosperity than by continually preaching universal peace. By trying to get each nation to understand us and to get our people to understand other nations we should also make the task of our own Government much easier. The English-speaking Union was an entirely non-political body, pledged to help any Government in power that would help to foster these mutual good relations.

A Main Pillar of Peace.

Sir Auckland Geddes said there was nothing our nation needed more at the present time than peace, and not only at the present time, but indefinitely through the years. Those present, he took it, realised also that one of the secure pillars of such a long-enduring peace must be friendship and co-operation between this country and the United States of America, and that such co-operation, such friendship could only be based upon a mutual respect and understanding. He knew that many in this country did not understand the United States, that many citizens of the United States did not understand the point of view of this country; and it was necessary that we should meet one another as we passed backward and forward across the Atlantic in order that understanding might grow and deepen. A society such as the English-speaking Union could do good work in developing, fostering, and strengthening understanding [illegible] for peace between nations. Sir Auckland continued, [illegible] are difficulties

And I know that there is a large body of the American people who really do not think about these things at any time.

A Language Quibble.

"It is so easy to give understanding a setback. The very name of this society, simple, obvious as it appears to us—the English-speaking Union,—simple and obvious as it appeared to those Americans who were associated with its inauguration and foundation, is a cause of offence to certain sections of the American population. They will tell you with heat that they do not speak English—they speak United States. (Laughter.) And they do. (Loud laughter.) And the very thought that somebody is trying to use a lever, whose existence they wish to deny, to persuade their nation to do something which it otherwise might not do is enough to create in them a feeling of resistance to what is proposed.

"It is necessary to walk warily. It is necessary to remember that understanding is not easily achieved. It is necessary to assume that it does not exist until the contrary is proved. The average American point of view is so different from ours. They are a great population of mixed European origin, full of energy, full of vitality, achieving great things in every direction. For they are a wonderul people. (Hear, hear.) They differ from us in their whole background. There is no deep scar through their minds as there is through ours as the result of the war. They were in it a much shorter time; they were farther from it. Their casualties, heavy as they were on the units which founght so gallantly in France, were, on the nation, slight. They have not got what we have, a post-war mentality. Theirs is a pre-peace mentality, and I often wish ours was a little more pre-peace and a little less post-war. (Hear, hear.)

Our Preponderance of Women.

"Another great difference: their population does not fill their country. Ours more than fills ours. In this country we have, as a result of many causes, a great surplus of women. America has not; and until you have lived, as I have lived, in the very heart of the two peoples—for I knew America well long before I was there in any official capacity—you do not realise what a difference the preponderance of women in this country makes to our national outlook.

"The influence of that mass of voters affects our whole life. There is nothing comparable in America, and things that we do every day, things that our Parliament passes almost as inevitable, shock the differently constituted American opinion. These differences make understanding often very difficult. I do not know how often I have heard in the United States of the decadence of England. All the unemployment benefit that has been paid has shocked and horrified many of our warmest American friends. They do not understaud our difficulties, nor we the different point of view which is forced on them by their sturdy individualism."

Continuing, Sir Auckland said that a trade union leader who had been in the United States to see members of his union who had migrated to that country, when asked by him how they liked the conditions under which they were working there, replied that they could not feel at home because the point of view of the people there was so different. Here wages were lower, but if a man fell sick or got into trouble there were many agencies available to help him, whilst in America there was nothing of the sort and they felt as if they were in a hostile atmosphere. It was not, of course, hostile to them either as individuals or as men from this country; it was just the social atmosphere that was different.

Vital Differences.

These things had nearly everything to do with international peace. We in this country with our overcrowded population, with our more feminine point of view, were dependent on world trade to maintain our population. To Americans, with a stoutly individualistic population still exploiting the virgin resources of a continent, overseas trade was something of a luxury. And when we talked of protecting our trade and of doing this, that, or the other thing to foster our trade overseas, they thought of it as they thought of their own trade—as something of a luxury super-added to their own immediate requirements and therefore super-added to our requirements.

They did not, in the mass, understand us or our needs at all; and we, in the mass, did not really understand them or their needs at all. He therefore begged the members of the Manchester branch to do all they could as occasion offered to get Americans to understand what our points of view necessarily and inevitably were, and at the same time to try to understand

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"But in all working for peace between nations," Sir Auckland continued, "there are difficulties. Some individuals become so obsessed with their own ideas how best to secure understanding and co-operation that unless what they think is right be done precisely, they are apt to throw up their hands in despair."

"We have had—and I wish to refer to it in all seriousness—a most deplorable happening in connection with the understanding between the United States and ourselves within the last few months, when one of our national delegates at the Conference at Geneva thought fit to resign, after the Conference was over, his place in the Government. I have heard direct from the lips of another of our delegates there that never at any time was there the slightest divergence in point of view between the delegates, and such a resignation has unfortunately set back the cause of understanding. It is to be regretted; but it is a lesson to us to realise that individual points of view, however strongly they may be held, should not be allowed to obtrude themselves into international relations. (Hear, hear.)

"We have got to recover lost ground. We have got to realise that there are influences in the United States which are not desirous that lost ground should be recovered. I know as well as anybody how strong the feeling is among Americans for friendship and co-operation with the British Empire throughout the world. I know that there is another section in America different in origin, who have not those feelings at all. I thought that somebody is trying to use a lever, whose existence they wish to deny, to persuade their nation to do something which it otherwise might not do is enough to create in them a feeling of resistance to what is proposed.

"It is necessary to walk warily. It is necessary to remember that understanding is not easily achieved. It is necessary to assume that it does not exist until the contrary is proved. The average American point of view is so different from ours. They are a great population of mixed European origin, full of energy, full of vitality, achieving great things in every direction. For they are a wonderul people. (Hear, hear.) They differ from us in their whole background. There is no deep scar through their minds as there is through ours as the result of the war. They were in it a much shorter time; they were farther from it. Their casualties, heavy as they were on the units which foought so gallantly in France, were, on the nation, slight. They have not got what we have, a post-war mentality. Theirs is a pre-peace mentality, and I often wish ours was a little more pre-peace and a little less post-war. (Hear, hear.)

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They did not, in the mass, understand us or our needs at all; and we, in the mass, did not really understand them or their needs at all. He therefore begged the members of the Manchester branch to do all they could as occasion offered to get Americans to understand what our points of view necessarily and inevitably were, and at the same time to try to understand what American points of view necessarily and inevitably were. Thus we might hope to get some increase in that understanding which, coupled with the mutual respect which did exist, would make co-operation between our nations sure and certain. (Hear, hear.) For there was nothing in the world to-day better worth working for than close, willing, whole-hearted co-operation between the people of the United States of America and the polyglot peoples of the British Empire. (Cheers.)

A Beau Geste.

Lord Derby, responding to the toast of his health, proposed by Mr. W. E. Thompson, chairman of the Committee of the Branch, said that a close relationship between the two countries meant a great deal to us at the present moment, and his belief was that before many decades passed it might equally mean a great deal for the American people.

He wished we could show in a practical form to America the real desire we had to live in peace and in the closest friendship with her. The members of the Branch might, however, in a very humble way show that they at least had a feeling of sympathy with her.

They had all read in that day's papers of the catastrophe that had overtaken Pittsburg, and even if it could be of no practical help it would be a *beau geste* for the Branch to send the Mayor of Pittsburg a message of sympathy. (Cheers.) As they evidently agreed that would be done. (Hear, hear.)

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[A 7216/133/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received December 15.)

(No. 2146.)

Sir, *Washington, December 2, 1927.*

IN the third paragraph of my despatch No. 2112 of the 25th November I had the honour to state that, according to reports in the press, the State Department looked coolly on the various resolutions projected by Senators Borah and Capper, and Congressman Burton, with a view to the American policy for the furtherance of world peace. Washington messages in the press, dated the 25th November, report the attitude of President Coolidge towards proposals of this nature. The President, it is stated, sees no short cut to peace. The idea of outlawing war was a thing to be approached with fear and trembling; the utmost caution was necessary; the road to peace was long and arduous. This, of course, did not mean that the President was out of sympathy with any move for promoting a sentiment for peace, but he thought that it would probably be best promoted, not by any general or sweeping action, but through exchanges between individual nations, who should approach the problem from the standpoint of their individual positions.

2. The attitude of the President as here described is, of course, in consonance with utterances emanating from him and from the Secretary of State many months ago, when the general disarmament conference of the League of Nations was under discussion, and when it was stated, on behalf of the United States Government, that, in their view, the best method of furthering peace was to take a short step at a time and not to attempt to settle so intricate and difficult a problem at one blow, and it was out of this position of the United States Government, of course, that the Geneva Naval Disarmament Conference grew.

3. One of the great difficulties seen by the President in the way of outlawing of war by this country is the fact that the Constitution gives to Congress the sole power to declare war, and that no treaty could take away this constitutional right. The treaty or resolution, therefore, would only be a gesture and nothing more. With this view Senator Borah does not agree. A treaty outlawing war would, he thinks, amount to the Government binding itself by treaty to follow a certain policy, viz., that of peace. It would not deprive Congress of the power to declare war provided war eventuated. On the same point the "New York Times" agrees with Senator Borah. "A treaty," it says, "binds Congress only so long as it consents to be bound," and it points to instances of legislation violating treaties, which legislation the Supreme Court has held not to be unconstitutional.

4. With regard to Mr. Burton's resolution, for which I would refer you to paragraph 7 of my despatch No. 2082 of the 23rd November, the President is said to see two chief difficulties: First, there is the question whether, by war supplies, is meant merely arms and ammunition, or whether it includes all sorts of goods sometimes pronounced as contraband, which might lead to a possible cutting off of all possible communication with the nation held to be offending. Secondly, there is the difficulty of establishing which is the aggressor nation. If the nation refusing to arbitrate should be branded as the aggressor, this might lead to difficulties in view of past American policy, according to which certain questions have always been held as inherently not arbitrable. On this question Senator Borah agrees with the President, and with the views which you uttered in your speech in the House of Commons on the 23rd November. In an editorial of the 26th November, the "New York World" endorses the position which you took up on this point. It considers that you made a strong case against the current theory that it is possible to outlaw war and to define the aggressor as that nation which refuses to abide by peaceful methods of adjustment. It thinks that your argument is well worth the careful consideration of those who, like Senator Capper, are disposed to rally to the proposed Briand treaty to outlaw war. While recognising their good intentions and their service to international goodwill, the "World" remains open-minded but sceptical on the proposal itself and doubts whether the advocates of this method of maintaining world peace are on the right track. It thinks the definition of aggressor

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beyond the wit of man to achieve. Technically, a nation insisting on the revision of any obsolete or unjust treaties which bound it would be an aggressor, while, in fact, it might be fighting for its own liberties and vital interests. The attempt to outlaw war by outlawing the aggressor is like trying to forbid revolutions in countries where there is no peaceful way of changing the Government. It seems, therefore, that until a way is found of revising treaties peaceably, the attempt to forbid war by pledging concerted international action against the aggressor is impracticable.

5. The "New York Times," however, feels that certain risks must inevitably be taken by nations if the cause of peace is to be advanced. It has, however, faint hope, after the President's statement, that anything more than lip-service for the cause will be paid by Congress. If there is to be any action, an enthusiastic leader must be found, and none now appears to be forthcoming.

6. Senator Borah is also reported as fearing that nothing can be done of a practical nature before 1929. He does not mean to pigeon-hole any of the peace resolutions during the coming session. On the contrary, he will do his best to have them brought up for discussion, but of any practical result he has little hope. Even mere discussion, however, would be a step forward in the direction of the ultimate goal.

7. The "Washington Post" sees nothing but evil and futility in the suggestions for the boycotting of aggressor nations. First of all, as you pointed out in the House of Commons, there is the difficulty of defining the aggressor. Secondly, they take from Congress the constitutional right to declare war. It is impossible to prevent a future Congress from declaring war whenever the honour, vital interests or independence of the United States is assailed. Declarations of policy to renounce war would be meaningless, for, if the United States were attacked, Americans would fight, declaration or no. In fact, all schemes to abolish war overlook the fact that war is sometimes desirable, not to say necessary. The power to make war rests with the American people, and no one can take from them this power.

8. Your speech is also taken by the "New York American" as affording ample proof of the wisdom of the United States in refusing to join the League of Nations. If it is so difficult to define the aggressor, against whom the Covenant of the League lays down that the member nations shall be ready to act by force, it is clearly a good thing that the United States are outside the League, and it is clearly undesirable that they should subscribe to any policy which should hinge on ability to make this definition.

9. The "Chicago Tribune" is opposed to any declaration of policy such as is proposed by Messrs. Borah, Capper, Burton and Baker. Thoughtful people, it says, will ask something more than treaties to control the future. Treaties are, and have always been, a slender reed. The outlook for peace at the present moment is not reassuring, and it would be a mistake, therefore, to neglect the national defences. If it be argued that it is possible to maintain defences in spite of having outlawed war, it is in forgetfulness of the classic attitude of Congress towards military expenditure. Any excuse for starving the forces would be seized on by that body. If the President, therefore, shows reluctance to adopt the peace proposals which have been put forward, though idealist circles may blame him, the more practical will not do so. The recent turn of events in Europe is a reminder to America that she should have no political commitments of any sort in Europe.

I have, &c.
ESME HOWARD.

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U.S.A.

Relations with Great Britain.

Freedom of seas.

Despatch from Panama 21/9/27 -
at an armistice day dinner, U.S.A. Asst. Secretary
on the Navy [redacted] emphasised the need for a
navy as great as that of another maritime power
as a protective measure to assure the freedome of
the seas to U.S.A. under any possible circumstance.

14th February, 1928.

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[A 7162/133/45] No. 1.

Mr. Oxley to Sir Austen Chamberlain.—(*Received December* 13.)

(No. 150. Confidential.)

Sir, *Panamá, November* 21, 1927.

I HAVE the honour to report that upon the occasion of the anniversary of armistice, the 11th November, I was invited to and attended a dinner given by the American Legion, Panamá Canal Post No. 1. About seventy guests were assembled, and the guests of honour included Mr. Edward P. Warner, Assistant Secretary of the Navy; Major-General William S. Graves, Commanding the United States Troops in the Canal Zone; Dr. Horacio Alfaro, Minister for Foreign Affairs of Panamá; Brigadier-General M. L. Walker, Governor of the Panamá Canal; Rear-Admiral H. H. Christy, Commandant of the Fifteenth Naval District; and Mr. James D. Summers, United States Aeronautics Trade Commissioner.

2. It was particularly noticeable that those organising this celebration had taken great care to make it a purely American festivity, and although M. Langlais, the French Chargé d'Affaires (who was unable to attend owing to illness), and I were invited, it was apparent, after I reached there, that this courtesy was more in the nature of a sop than anything else.

3. General Graves made an excellent speech, but which could only be described as most militaristic. This was followed by an extempore speech made by Mr. Warner. In the course of his remarks, he was most emphatic on the subject of the United States acquiring a merchant marine second to none, so that it could meet any eventuality; and in referring to the Panamá Canal, he expressed his ardent wish to see more ships flying the Stars and Stripes using this waterway. He touched upon the urgent necessity of improving the naval aerial defences of the Canal, which, in his opinion, are most inadequate. Referring to the question of naval armaments and the United States navy, Mr. Warner, in a very convinced manner, stated that he was only voicing the sentiments of every true American when he expressed the hope that, not only during the present, but in every successive Government of the United States, one of its primary objects would be to see that the United States would build a navy as great as that of any other maritime Power. He was careful to add that he did not intend this in any way as an aggressive, but as a protective, measure to assure the freedom of the seas to the United States under any possible circumstance. He felt convinced that in future it would be a disgrace to the United States if or whenever a foreign nation, for purposes of conducting a war, prescribed a certain area through which American ships would not be allowed to pass, if his Government should ever find itself in a position not to maintain its right to the freedom of all such waters and be unable to maintain that right by force, if necessary. Such remarks, in view of the fact that I was present, could hardly be described as tactful, but they are most interesting, as Mr. Warner's views confirm in a most definite manner the opinion expressed by Sir Esme Howard in his confidential despatch to you, No. 1549 of the 12th August, 1927.

4. A copy of this despatch has been forwarded to His Majesty's Ambassador at Washington.

I have, &c.
W. H. OXLEY.

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U.S.A.

Relations with Great Britain.

Despatch from Washington: (i) 4/11/27 reference Mr. Steed's visit and suggestion in a speech that U.S.A. might make some announcement that they would not aid financially or otherwise any nation recognised as an agressor. The President seemed very interested and the possibility is that the time is coming for a move on the part of the Republican leaders, following public opinion, in the direction of world idealism as opposed to mere isolationism. (iii) 24/11/27 on the reception of the House of Lords' debate on the Geneva Conference and the various views as to the Geneva Conference failure, the honesty of the British reduction of their naval programme, and the suggestion that some form of Locarno Pact for the N. Atlantic might be possible: (ii) 9/11/27 Senator Borah sees no objection to Mr. Steed's suggestion in (i) above but U.S.A. would not go so far as to refuse to trade with a friendly nation.

Steed's suggestion

25.1.28

26.I.28

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NORTH AMERICA. November 22, 1927.

CONFIDENTIAL. SECTION 1.

[A 6759/3827/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received November 22.)

(No. 1964.)

Sir, *Washington, November 9, 1927.*

THE Associated Press of the 8th instant has a communication published in the papers to the effect that Senator Borah regards the Briand proposal for "a treaty to outlaw war" as a step in the right direction.

2. With regard to Mr. Wickham Steed's plan, on which I reported in my despatch No. 1958 of the 4th instant, the "United States Daily" of yesterday announces that the Senator had stated that he saw no objection to a declaration on the part of the United States that they would not support any European Power in a war of aggression. The Senator, however, is quoted as having said that he does not believe the United States should go the length of refusing to have any commercial intercourse with an offending Power in the circumstances outlined. Senator Borah said: "The United States would not go so far as to refuse to trade with a friendly nation. That would make the United States peculiarly the arbiter of all disputes in Europe." An international agreement to outlaw war would, he thought, differ from the suggested Briand treaty for an agreement between France and the United States whereby those two nations would bind themselves not to resort to war. He concluded his statement with the words: "I do not assume for a moment that an agreement to outlaw war would end war, but it would strip it of its status as a legitimate method for the settlement of international disputes."

3. The press of yesterday also reports that the President is studying Mr. Steed's plan, but that his comment thereon has so far been guarded and that he had thrown no illumination on the Administration's attitude with regard to the Briand plan.

4. I understand from Mr. Wilmot Lewis, correspondent of the "Times" in Washington, that the President stated to certain journalists, in reply to an enquiry what he thought of the Steed proposal, that he thought it interesting and was considering it. While, however, he added, the United States Government was anxious to do everything possible to promote peace, they had also to safeguard their neutral rights in time of war and the difficulty was now to draw the line between these two aims.

5. The impression created by the President appears to have been that the United States Government should avoid taking a stand which might involve them in a hostile controversy affecting other nations, and Mr. Coolidge is quoted as having pointed out that the United States "assumed itself to have certain rights in commercial and other matters with which the American people objected to interference."

6. The daughter of Dr. Nicholas Murray Butler told Mr. Campbell, first secretary of this Embassy, a day or two ago, that she understood that the President was ready to see discussions begun. Mr. Campbell asked whether Dr. N. M. Butler thought he could get the Shotwell draft treaty, which is based on the Briand plan, through the Senate, especially in view of the arbitration clause and the definition of aggressor. Miss Butler said the treaty had secured "very powerful support in the Senate," but this seems at present to be somewhat exaggerated.

I have, &c.
ESME HOWARD.

[293 y—1]

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[A 6618/133/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(*Received November* 14.)

(No. 1958.)

Sir, *Washington, November* 4, 1927.

MR. WICKHAM STEED, the well-known British journalist, arrived in America a short time ago with the purpose of attending the Convention of the World Alliance of Churches at St. Louis.

On the 26th October he was entertained at luncheon at Philadelphia by the English Speaking Union, which was attended, amongst others, by no less a person than Mr. Cyrus Curtis, millionaire owner of the Curtis Press, *i.e.*, "Philadelphia Public Ledger," "Saturday Evening Post," &c., which has not generally shown itself particularly favourable to Great Britain.

Mr. Steed, in a remarkably interesting speech, dealt with the attitude of America to Europe and *vice versâ*.

After saying that America was right to stay out of the League of Nations if she wished, but that he still believed America to be idealistic enough to be solid against any country or countries which she thought were plotting for self-aggrandisement and after insisting on the interest of Great Britain to prevent wars, Mr. Steed said:—

> "However, the leading statesmen of Europe fear hostile neutrality from the United States. I answer them: 'You're wrong! The American people never will wish their statesmen to tie the hands of Governments that are trying to prevent aggressive wars.'
>
> "I wonder if an Englishman might say frankly here what's in his mind? The United States does not like foreign interference. It wishes to settle things for itself. Is it pardonable to put a simple question to the United States?
>
> "Suppose that we have to take action to prevent a war! Now—if we assume that the United States won't interfere in behalf of the aggressor—are we wrong in that assumption? Is it possible for the United States Government, or a spokesman for America, to let other countries engaged in preventing war know where the United States stand through the action of some accredited statesman in laying down a doctrine of peace and enouncing it to the world?
>
> "That enouncement would change the face of the world. War can't be waged successfully to-day without the participation of the United States. By such an enouncement, those who talk of the 'next war' in imbecile ignorance would be silenced. That peace doctrine enounced by America would be a pillar of safety for the world. And the United States lacks neither the idealism nor the courage to express its convictions."

This speech was reported verbatim in the "Philadelphia Public Ledger," in the "New York Herald-Tribune," which, though decidedly friendly to Great Britain, is strongly anti-League and isolationist, and I believe in other papers.

Mr. Steed had requested me some time before to arrange for him to see President Coolidge, and I accordingly made arrangements for him to pay his respects to the President on the 2nd November and, as is usual, to be introduced by me. He called on me the day before and asked me if I thought that there would be any harm in his suggesting to the President, if the occasion should offer, that it would be very helpful in the cause of peace if the United States Government would make a pronouncement declaring that they would not aid, financially or otherwise, any nation that might be recognised as an aggressor in war. I said I did not think it would do harm except in so far as any suggestion made by Englishmen as to the policy America might pursue was always liable to be misconstrued as a trap for the innocent. Mr. Steed said that the way in which his speech at Philadelphia had been received had made him hope that this danger might be more imaginary than real in this case. In any case, he assured me that he would tell the President that anything he said was entirely unofficial, and that my presence there must not be considered as giving it official sanction.

I had hardly introduced Mr. Steed to the President before Mr. Coolidge opened the conversation by saying that he had read Mr. Steed's Philadelphia speech and began to

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draw him out as to his ideas on the subject of such a declaration. Mr. Steed then developed his theme much as in the Philadelphia speech, urging the necessity of restoring European confidence in American action in time of war, lack of which was, he said, the cause of half the uncertainty now prevailing in Europe as t the future and also of the difficulties in the way of a disarmament policy.

Mr. Coolidge, who seemed much interested and was far less non-committal than I have ever yet seen him, said that, of course, he might himself make a speech embodying such a declaration, but that this would naturally not commit Congress or future Governments in any way.

I ventured then, seeing how favourably he regarded the plan, to say, speaking quite personally, since I had only heard Mr. Steed's views the day before and had, of course, had no communication from you on the subject, that I wondered whether it would be possible for a speech by the President to be reinforced by a Senate resolution. The President said that would certainly carry great weight but he wondered whether Senator Borah, as chairman of the Foreign Relations Committee of the Senate, would consent to introduce such a resolution. Mr. Steed said he was going to see Mr. Borah that morning, and the President then said that he would like to hear the result of the conversation with the Senator. He invited Mr. Steed to lunch with him that day.

Mr. Steed immediately afterwards saw Senator Borah and Mr. Hoover. He found the Senator very receptive of the idea and not at all unwilling to consider the plan of a Senate resolution on the lines suggested, provided, of course, as I understand, that the United States Government would retain the right of judging who was the aggressor and not be bound by any decision of the League of Nations.

Mr. Hoover, however, was not at first so favourable, but Mr. Steed believed that he had convinced him in the end that the United States could really assist the cause of peace very greatly and help to restore the confidence of Europe in the future by taking the action proposed.

Mr. Steed afterwards lunched at the White House alone with Mr. and Mrs. Coolidge. Mr. Coolidge took him to his study and kept him in a *tête-à-tête* conversation for over an hour after lunch discussing the condition of European affairs.

The upshot of this is, as I read it, that both Mr. Coolidge, whose hands are now free from the shackle of an impending election, and Senator Borah believe that the time is coming for some move on the part of leaders of the Republican party in the direction of world idealism, as opposed to mere isolationism. I have for some time felt that public opinion here is moving in that direction. It is not, therefore, impossible that this suggestion of Mr. Steed may fall on good ground and spring up and bear fruit. If properly cultivated, I cannot but think that it might lead to very useful results and materially help the cause of security, disarmament and peace in Europe.

I have, &c.

ESME HOWARD.

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[A 7077/93/45]

No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received December 7.)

(No. 2095.)

Washington, November 24, 1927.

Sir,

AS I had the honour to report in my telegram No. 488 of the 21st November, the recent discussions in the House of Lords on the Geneva Conference have caused a considerable amount of stir in the press of this country. Lord Cecil's statements are generally taken without examination or demur as offering a faithful reproduction of the Geneva Sea-Scape (save the mark). The suggestions of Lord Wester Wemyss, regarded as the significant blustering of a die-hard sea-dog, come in (as it is a British admiral who is in question), for comment of a none too roseate hue. Both, it is easy to see, are grist to the "Big Navy" mill.

2. It is widely accepted that a formidable movement of British public opinion has declared itself against the policy adopted by His Majesty's Government at Geneva, which is assumed to have been one of refusing "parity" to this country, and of trying to "put one over." The "New York Herald Tribune," in a leading article along these lines, backs itself up with the statements of Lord Cecil, and with the hope expressed by the Chancellor of the Exchequer that Great Britain would never embody in a solemn international treaty any words which would bind her to the principle of mathematical parity in naval strength. It makes no reference to what seems to be the point, viz., that the United States Government desired parity within a limited tonnage figure, beyond which they were apparently unwilling ever to go, and that to bind ourselves to keep within a similar inviolable limit in order to maintain parity would have made it impossible for us to meet eventual threats from other quarters. In a similar spirit the Big Navy men take the decision of His Majesty's Government not to proceed with two of the cruisers projected for the coming year. It is a bluff, in the opinion of one of the highest naval officials of this capital, designed to influence Congress at the moment of its reassembly. It has no value, as the numerical superiority of the Royal Navy in cruisers is such that delay in construction can be risked without danger if so it may prevent the United States from undertaking a construction programme leading to parity. The "New York Herald Tribune" adopts this point of view in a further article, in which it ascribes to a consciousness of past error awakened by Lord Cecil's campaign and the clamour of public opinion in the hearts of British politicians, the decision regarding the cruisers, as well as the suggestion of the "Sunday Times" for an Atlantic "Locarno" and of the "Manchester Guardian" for an agreement between Great Britain, the United States and Japan. The meaning of the lesson taught by the Geneva Conference (*i.e.*, that to have parity the United States must build cruisers) must not, it says, be confused now by any such Geneva after-thoughts. In a Washington message, however, published by the "New York Tribune," it is stated that while naval circles will favour large construction regardless of what may emanate from London, the suggestion of a Locarno Pact for the North Atlantic is expected to prove attractive to peace-loving elements and a large percentage of Congress; and that if such an idea were seriously pressed by His Majesty's Government it would affect many votes and render many members of the Legislature unwilling to sanction a large building programme.

3. In the same order of ideas as the "Locarno" suggestion is a message from Mr. James, in Paris, to the "New York Times" to the effect that as Great Britain, the United States and Japan will take part in the disarmament meeting of the League of Nations opening at Geneva on the 30th November, it is possible that some regional agreement might be reached between those three Powers, and possibly France and Italy, to be incorporated later in any general agreement finally arrived at by the League. The State Department, however, according to a Washington message to the "New York Times," state that no word has reached Washington of any British intention to offer any resolution at Geneva for the appointment of a special committee to study naval limitation; they doubt the accuracy of the report. They also express a doubt that the controversy over the Geneva failure in England will lead to any renewed effort to bring about a further naval agreement prior to the conference of 1931.

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4. The "Washington Herald," a Hearst paper, considers further "parleying" futile at present. Lord Cecil's denunciation of His Majesty's Government amounts to a grave charge of international bad faith; and as Mr. Coolidge must feel he was shabbily dealt with, he will not be inclined to expose himself again to similar treatment. In a leading article in its issue of the 20th November, the "Philadelphia Public Ledger" accuses His Majesty's Government of trying to cover up their blunder at Geneva and to allay American resentment and forestall extensive construction by the decision to drop two cruisers and by the circulation of a rumour as to a further naval conference. But this gesture is not enough. Great Britain may be trying once more to palm off the shadow for the substance. Until the United States receive more dependable assurances, they will be justified in being on their guard. In another article, the same paper says that whether the would-be sole ruler of the waves has backed down too late, she will discover in due time.

5. The "Minneapolis Journal" of the 16th November welcomes the signs of a powerful revolt in England against the policy of His Majesty's Government at Geneva, and says that this sequel of the Geneva failure justifies more and more the American delegates and Administration in holding firmly to their purpose of real armament limitation.

6. The "Baltimore Sun" sees Mr. Baldwin as anxious over the possibility of a large American building programme and as desirous therefore to conciliate this country. The United States should not be led by high-stepping militarists, but, while not taking complete Tory reformation for granted should contemplate the dangerous futility of a race and refrain from adopting a snarling attitude and from saying the door Mr. Coolidge opened is slammed.

7. Undilutedly friendly towards the conciliatory attitude of His Majesty's Government are the "New York Times," the "New York World" and the "Springfield Republican." The former, while believing that His Majesty's Government has had to yield to popular clamour, thinks the action of His Majesty's Government could not be more significant; it is an offer to reopen the whole question dealt with at Geneva, and to take it out of the hands of naval technicians; nor is it bluff. The changed attitude is certain to appeal to Mr. Coolidge, who must consider the British move a momentous one fraught with new promise. It is incredible he should now recommend a large and challenging programme to Congress.

8. The "Springfield Republican," in a very fair and friendly article, says that if Americans merely adopt an "I told you so" attitude and say that Lord Cecil's campaign proves the British were wholly to blame at Geneva and act accordingly, it will only impel Great Britain to take up the American challenge. An opportunity is now offered, to take full advantage of which there must be heart-searching on both sides. If England was to blame, so also was America. If Lord Cecil indicts His Majesty's Government, so also should someone here indict the United States Government for its inadequate preparations for the conference and its misquotations—and those of its delegates—of Lord Balfour. The newspaper admits the British point about the aggressive power of 8-inch guns and notes that Lord Cecil thinks the United States position on this matter entirely wrong. Statesmanship must yet find a way to a new agreement promoting peace. Lord Cecil's challenge to His Majesty's Government is also a challenge to the United States Government.

9. The "New York World," in an article headed "Commonsense and Cruisers," attacks the high naval official who accuses His Majesty's Government of bluff. If this view is shared by the Navy Department, then that Department is arguing the same conclusion from two different sets of facts; it is arguing from a large British programme a British challenge to the United States and that, therefore, the United States must have many cruisers; and it is arguing from a reduced British programme that Great Britain wishes to lure the United States into a sense of false security, and that the United States must for that reason have more cruisers. This would compel the belief that the navy was more interested in building cruisers than in the reasons for building them. This attitude is unhelpful to the Administration. The arguments in favour of the moderate programme of Mr. Coolidge are strengthened, not weakened, by the reduction of the British programme.

I have, &c.
ESME HOWARD.

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MC.

U.S.A.

Relations with Great Britain.

Despatch from Washington 21/10/28 - relating the waning of the Ku Klux Klan and the growing ridicule of Mayor Thompson, whose attacks on British propoganda had the support of the Klan - the British Ambassador looks on Thompson as one of the best pro-British propogandists in U.S.A.

16.1.28

23.1.28

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[A 6350/128/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received October 31.)

(No. 1865.)

Washington, October 21, 1927.

Sir,

THE Ku-Klux-Klan has evidently fallen on evil days. On the 15th instant no less than thirty-six klansmen were indicted for various offences in two counties in Alabama, which with Indiana shares the doubtful glory of being the most Klan-ridden State of this Union. The Grand Dragon of the Klan in Alabama, the former Grand Titan of the Southern Province of the Order the Exalted Cyclops of the Georgiana Klavern and the same official of the Lucerne Klavern are all among those accused. The indictment begins as follows:—

> "We find that in most, if not all, of the cases, these outrageous acts (floggings, &c.) of hooded mobs wearing the regalia of the Ku-Klux-Klan are the evil fruits of leadership at war with all constituted authority and done in bigoted disregard of the courts."

Of the Rev. Mr. Nalls, also a leading Klansman, who left home when the grand jury was called in session and has not since returned, the jury stated:—

> "These crimes would never have been committed if he had been as continuously engaged in serving his congregation as he had been in serving brutal floggings to defenceless women and in attempting to regulate negro morality from behind a mask."

In Indiana, Mayor John Duvall, of Indianapolis, a supporter of the Klan, was recently convicted of corruption and sentenced to thirty days' imprisonment and 1,000 dollars fine for accepting 14,500 dollars from a certain William H. Armitage, described as a "gambler, saloonist and politician," in return for the privilege of nominating three city officials. It is interesting to observe that Armitage was a Roman Catholic, and that the Klan ascribe the conviction of Duvall largely to the rancour of the Catholics against Duvall on account of his Klan leanings, which rancour led to Armitage's brother acting as a State witness against the mayor and disclosing the whole transaction. The prosecution ascribe the mayor's unfortunate situation to his "trying to play both ends against the middle."

During his enforced absence from the City Hall, Mayor Duvall has apparently appointed his wife to act as City Controller, but it remains to be seen if the municipality will allow her to carry on business.

Meanwhile, Indiana's next corruption trial, that of Governor Edward Jackson and his friends on charges of bribing his predecessor, Governor Warren T. McCray, who has lately finished a prison term for fraud, is expected to take place shortly.

Lastly, our friend "Big Bill Thompson," whose attacks on British propaganda in Chicago have the whole-hearted support of the klansmen of Illinois, who, of course, believe in his slogan of "America First," is becoming more and more the object of ridicule in papers all over the country, whether Republican or Democratic.

Even the "Chicago Tribune," which no one can accuse of being pro-British, produced a cartoon the other day representing Big Bill dressed as Robinson Crusoe, and his faithful attendant, Mr. J. Lewis Goath, of the Chicago Board of Education, discovering footprints of the British Lion, presumably on the sandy shore of Lake Michigan.

The action to oust Dr. McAndrew, head of the Education Board of Chicago, whose educational record as head of the Education Department in New York before he went to Chicago is well known to and appreciated by educationists throughout the country, on the accusation of conducting a pro-British propaganda campaign, is being closely followed in the press, and it is, I think, not too much to say that whatever effect it may have on klansmen and other 100 per cent. Americans (this expression is, by the way, now beginning to fall into ridicule), it will certainly alienate more and more the educated and intelligent classes from the sort of ideals of the Mayor of Chicago and his kind. For this reason, as I have already stated, I look upon Mr. Thompson as one of the best pro-British propagandists in this country.

I have, &c.
ESME HOWARD.

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PACIFIC.

INSTITUTE OF PACIFIC RELATIONS.

AMERICAN AIMS.

See Note below.

Despatch F.O. to Tokio - 16.11.27 - in which S. of S. comments on the Tokio despatch of 19.9.27. The Foreign Office decision that British participation in such conferences was advisable has, he considers, been adventageous and he is not convinced that their campaigns are quite as obnoxious or unintelligent as the Minister suggested, but are based on the principle that the peoples bordering on the Pacific are bound to try to harmonize their divergent news and arrive at a common solution of common problems. It is easy to over-estimate the extent of which the U.S.A. influence may be enhanced by Pan-Pacific propaganda. Finally he believes the societies have a positive value tending to an understanding by one people of the points of views of other possible parties to a dispute which must work for peace.

Ko 6.1.28

Print.
F. 8188/1059/61
to P.M. 7.I.28

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USA
Relations with Great Britain

PACIFIC.

INSTITUTE OF PACIFIC RELATION.

American Aims.

Despatch from Tokio 19.9.27 in which the danger, from British point of view, of such Pacific Conferences is urged. They provide a constant occasion for American propaganda, to discredit Britain and for the withdrawal of Canada and Australia from the British to the American Orbit.

H.B.M. Ambassador emphasised the United States tendency to assume greater sympathy between themselves and Australia than between England and Australia and to promote special friendship between America and Japan at the expense of England. His belief is that the Americans seen in Japan are mainly anti-British.

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JAPAN. [October 20, 1927.]

CONFIDENTIAL. SECTION 3.

[F 8188/1059/61] No. 1.

Sir J. Tilley to Sir Austen Chamberlain.—(Received October 20.)

(No. 487.)

Sir, *Chuzenji, September 19, 1927.*

I HAVE the honour to report that I have received, through the courtesy of the Tokyo branch office of the secretariat of the League of Nations, a copy of a pamphlet prepared by the League of Nations secretariat for the use of the Pan-Pacific Conference at Honolulu. The pamphlet, which you have doubtless received direct, is called "Notes on Certain Aspects of the Work of the League of Nations of Interest to the Pacific Countries."

2. On the contents of the pamphlet I do not desire to offer any observations, but I do think it well to call your attention to this official use of the term "Pacific countries." In Japan, pan-Pacific meetings of all kinds are frequent; there is a Pan-Pacific League and a Pan-Pacific Union, and there has been a Pan-Pacific Science Congress, and so forth. Many of these societies have been founded by an American gentleman named Ford, who lives, I believe, at Honolulu, and among the Japanese they have received high patronage, especially from Prince Tokugawa, the president of the House of Peers, who is always ready to patronise anything. Some English people look on these societies with a sort of amused contempt. Myself, apart from such scientific work as was done by the Science Congress last year —I suspect that that was small—I believe that these societies do very little good, and from the British point of view may do considerable harm as providing constant occasions for American propaganda. The object which I mentally assign to that propaganda is the discrediting of Britain and the withdrawal of Canada and Australia from the British to the American orbit.

3. It appears to me to be nonsense to talk about a Pacific civilisation as if there were anything special in common between Eastern Asia and America and Australia; it is, of course, arrant nonsense to talk as if the Far East were the home of peace, as contrasted with Europe the home of war; it is in my own opinion equally nonsense to talk of any part of North or South America as being more peace-loving than England. A history of a hundred years or so in the life of one isolated continent cannot show as many wars as the history of some thousands of years in three adjoining continents, but the amount of blood shed in different fashions in America is quite enough to deprive that continent of any claim whatever to a higher and better civilisation than that of England.

4. I have alluded in other despatches to the tendency among Americans to assume some greater sympathy between themselves and Australia than between England and Australia. I have also alluded to the attempt, now that the Anglo-Japanese Alliance has been sundered, to promote some special friendship between America and Japan at the expense of England. The unveiling next month of a monument to Townsend Harris will be an occasion for work in that direction. All these tendencies are covered by the general title of "Pacific." It may, of course, be said, as I have myself said in after-dinner speeches, that these societies help to promote peace in the Pacific and so contribute to the general peace, but from the British point of view it must be remembered that a "Pacific" peace might involve the refusal of Canada and Australia to come to the help of the mother country. These "Pacific" doctrines might also prove very injurious to British interests in China.

5. I often see references to the real sympathy and friendship felt in the United States for England. I hope those statements are true. My own work brings me only into contact with Americans as they are in Japan, whether residents or travellers; I am not speaking of diplomatists. My belief is that the tendencies of such Americans are mainly anti-British, and that the whole "Pacific" theory might easily become an annoyance, and in stronger hands even a menace, to the British Empire.

I have, &c.
JOHN TILLEY.

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PERSONAL.

M/VW.

COMMONWEALTH OF AUSTRALIA.

DEPARTMENT OF DEFENCE

CANBERRA, 15th December, 1927.

My dear Officer,

Many thanks for the extract from the summary of the U.S.A. Press with reference to the incident in connection with the British Official History of the Gallipoli Campaign.

I quite agree that action should be taken quickly to combat undesirable or untrue statements which are published. This as you know was done in Australia and England, but the extracts forwarded from U.S.A. would lead one to believe that the papers there only published so much of the news as suited them.

I don't know that we can do anything to prevent a similar happening again, but think that when the High Commissioner is supplied with an answer to these objectionable statements the Commissioner in New York should also be cabled in similar terms.

Yours sincerely,

J. W. Glynn

Major K. Officer,
External Affairs Branch,
Prime Minister's Department,
CANBERRA. F.C.T.

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Extract from Summary of USA Press

B R I T I S H E M P I R E

A U S T R A L I A

BRITISH OFFICIAL HISTORY OF GALLIPOLI CAMPAIGN.

An Associated Press report from Sydney states, "A storm of angry protest is sweeping Australia over a slur on the Australian part in the landing at Gallipoli on April 25th, 1915, which newspaper accounts say appears in the British Official History of the Gallipoli Campaign just published." (Baltimore Sun, Oct. 11th).

General Sir John Monash is credited with saying, "It is just another of those depreciations of the Australian soldier which appear every two or three months in England."

The whole affair is probably a misunderstanding. Capt. C.E.W. Bean, described as official historian of the Australian forces, denies that the statements complained of appear in the draft of the official history sent to Australia for correction.

The report concludes:- "Some accounts attribute the statements to a history of the Dardanelles campaign compiled by two officers of H.M.S. "Aragon"....."

An Associated Press despatch from London, appearing concurrently with the Sydney report, expressed "amazement" on the part of British authorities and ignorance of the alleged references to Australian troops.

These reports attracted some attention in Philadelphia where the "Ledger" gave them prominence. A correspondent of the Library, perhaps not recognising them for Associated Press despatches, was inclined to attribute their appearance to an anti-British bias on the "Philadelphia Public Ledger's" part.

The Library would like to be fully informed as to the basis if any for this story.

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USA
Relations with GTB

GENEVA CONFERENCE FOR THE LIMITATION OF NAVAL ARMAMENT.

The Conclusion of the Conference.

The despatch from Mr. Bridgeman to Sir Austen Chamberlain (attached) emphasises more than Sir Joseph Cook does in his report the increased stiffness in attitude of the American delegates at the latter sittings: their insistance that no treaty should impose a limitation on the 8" gun or allow a total figure of cruiser construction in excess of 400,000 tons.

After detailing the last minute efforts to achieve some result Mr. Bridgeman ends by expressing the opinion that something could have been achieved "had the Americans but shown a more accomodating spirit".

Effect of the failure of the Conference on British - U.S.A. relations.

Sir E. Howard in a despatch dated 12th August 1927 (Marked) considered the conference has left behind no feeling of bitterness. Any deliberate anti-British press campaign met with little success which he attributed to -

"(1) a diminution of anti-British feeling in the country as a whole;

(2) a diminution of the credulity of the public in the infallibility of the press - changes which 'cannot but be regarded as satisfactory and making for good will in the future'."

Whilst he considers there is no need to be uneasy about a popular movement in favour of a predominating fleet he thinks that what should make us uneasy is the determination of many influential Senators and Congress men to maintain at all costs in future "the freedom of the Sea" and the "rights of neutrality" in time of war. This is what lies behind the U.S.A. determination not to submit to a restriction of guns to 6". This he considers the only really serious possibility of conflict between Great Britain and U.S.A.

KDF 14.10.27

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[W 8063/61/98] No. 1.

Mr. Bridgeman to Sir Austen Chamberlain.—(*Received August* 26.)

British Delegation,
Naval Conference,
August 6, 1927.

Sir,

WE arrived back in Geneva early on Thursday, the 28th July, after an interval of a week or so in London, whither we had proceeded, in accordance with your instructions, for the purpose of personal consultation with the Government.

After Lord Cecil and I had paid private preliminary visits to the American and Japanese delegates in order to acquaint them in a general way with the nature of the instructions with which we had returned, a meeting was held that afternoon at which the principals of the three delegations were present. Rear-Admiral Pound, who had been appointed substitute for Vice-Admiral Sir F. Field, on account of the latter's illness, attended in his place.

I at once laid on the table, in the following form, the proposals which we had been authorised to put forward :—

"*British Proposals, July* 28, 1927.

"1. The combined total tonnage of cruisers, destroyers and submarines below the age limit for replacement is not to exceed—

"(*a.*) For British Empire and United States of America 590,000

"(*b.*) For Japan 385,000

"2. In addition each Power may retain 25 per cent. of the total tonnages given in paragraph 1 (*a*) and (*b*), in vessels over age.

"3. Age limits before which replacement cannot take place :—

	Years.
"10,000-ton cruisers	18
"Other cruisers	16
"Destroyers	16
"Submarines	13

"4. The following vessels over 6,000 tons to be retained in their respective fleets :—

"British Empire : 4 'Hawkins,' 'York,' 2 'Emeralds.'
"United States of America : 10 'Omahas.'
"Japan : 4 'Furutakas.'

"5. All other cruisers to be divided into two classes :—

"(*a.*) 10,000-ton cruisers.
"(*b.*) Smaller cruisers of a maximum displacement of 6,000 tons and mounting a gun not exceeding 6 inches in calibre.

"6. 10,000-ton cruisers to be limited in number :—

"For British Empire and United States of America ...	12
"For Japan	8

"7. Maximum standard displacement for flotilla leaders to be 1,850 tons and for destroyers 1,500 tons. Flotilla leaders and destroyers not to carry a gun above 5 inches calibre.

"8. Of the total tonnage in the destroyer class 100 per cent. may be used for vessels of 1,500 tons and under, but not more than 16 per cent. of the total may be used for the flotilla-leader class, *i.e.*, vessels above 1,500 tons and limited to a maximum of 1,850 tons.

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"9. Submarines to be divided into two classes :—

"Class A	1,800 down to 1,000
"Class B	Maximum 600

"Submarines not to carry a gun in excess of 5 inches calibre.

"10. The maximum tonnage to be devoted to submarines of either class of whatever age to be as follows :—

"(*a.*) British Empire and United States of America	90,000
"(*b.*) Japan	60,000

of which total tonnage not more than two-thirds may be used for Class A submarines.

"11. Except for the restrictions imposed in paragraphs 6, 8 and 10, the total tonnage allocated to be used as each Power thinks best."

I then explained the several points in respect of which these proposals varied from, or coincided with, those which had formed the basis of the understanding between the British and Japanese delegations reported in my despatch No. N.D.C. 335/16 of the 19th July. Firstly, I observed, the tonnage which we suggested should be allocated to submarines had been combined with that fixed for cruisers and destroyers; secondly, age limits had been fixed for each class and type of vessel; thirdly, the two "Emeralds" had been added to the British ships enumerated in the paragraph providing for the retention for their lifetime of cruisers falling neither within the 10,000-ton nor the 6,000-ton categories; fourthly, maximum displacements had been fixed for flotilla leaders and destroyers respectively; fifthly, submarines had been divided into two types, the larger being subject to a maximum and minimum displacement and the smaller to a maximum displacement; sixthly, the tonnage employed for flotilla leaders and for the larger type submarine must not exceed a certain percentage of the aggregate tonnage in either class; lastly, in order to provide for some elasticity, each party would be at liberty, subject only to the restrictions in paragraphs 6, 8 and 10, to utilise its tonnage in such manner as it might please.

Mr. Gibson at once stated unequivocally that he had no power to sign any treaty which imposed a limitation on the 8-inch gun, and he enquired how far the British delegates could go in the direction of meeting him. We replied that all we could do was to agree to the construction by the United States of such number of vessels as, in the opinion of the naval advisers of the three delegations, would have the effect of equalising the strength of the British Empire and the United States in the intermediate category of cruisers provided for under paragraph 4. In that case, retorted Mr. Gibson, he could do no more than refer our proposals to his Government, though he could hold out no hope that they would agree to any arrangement which included a limitation on the 8-inch gun. He then asked, for the information of the State Department, for a precise definition of our attitude in this matter, to which we replied that the British Government felt that any treaty which did not provide for a limitation of the 8-inch gun would be a treaty not for the limitation, but for an increase of armaments. In return Mr. Gibson undertook to supply us with a precise statement of the attitude of the United States Government for the information of His Majesty's Government. This he subsequently did, in writing, in the following terms :—

> "It will be remembered that in its original proposals the American delegation indicated its belief that within a total tonnage limitation for cruisers each Power should be free to dispose of its tonnage as best suited its special needs. In view, however, of the importance attached by the British delegation to restrictions of types, the American delegation agreed, as will be remembered, to discuss the number of maximum size cruisers, subject to agreement on a tonnage level which would constitute a genuine limitation, and with the further condition that the secondary type of cruiser within such tonnage limitations should be of a maximum individual displacement which would not preclude mounting 8-inch guns (a calibre which was agreed upon by the signatories of the Washington Treaty)."

I then enquired of Mr. Gibson whether he saw any other difficulties in our proposals. He replied "no insuperable difficulties," but added that, in his opinion, there was no advantage in discussing other points so long as the question of the gun remained unsettled.

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I next asked the Japanese delegates whether they wished to express any opinion on this point. They appeared, as usual, diffident of taking one side or the other, and declined to commit themselves further than by stating that, while the Japanese Government did not wish to be bound by any treaty provision in this respect, they had no intention before 1936 of building any 8-inch gun cruisers beyond those in the maximum class, and therefore should not oppose our proposal now. The 6-inch gun has, of course, all along been something of a stumbling-block to the Japanese. It is the largest size gun which, as a general practice, is fed and loaded by hand. The Japanese, being of small stature, find some difficulty in properly serving this gun, and they consequently prefer the larger, mechanically loaded weapon. This difficulty has been surmounted in His Majesty's navy by providing mechanical loading for 6-inch guns, and when the Japanese have had an opportunity of trying it their objection may before long be removed.

As regards the remainder of our scheme, Viscount Ishii observed that the Japanese delegation would have to communicate further with their Government in regard to the submarine proposals. They had agreed, reluctantly, to a ratio of 100; sixty-five in surface auxiliary craft in the hope that submarine tonnage was to be settled on the basis of 60,000 tons for all. Their original demand had been for 70,000 tons, but they had agreed to transfer 10,000 tons to their surface tonnage in order to facilitate a proportionate increase in the surface tonnage for the British Empire. If, however, the British Empire and the United States were now to have 90,000 tons of submarines, the Japanese delegation would have to return to their original figure of 70,000.

Before the meeting broke up we urged, and the American and Japanese delegates agreed, that the British proposals should be published in the form in which we had presented them, but accompanied by a note explaining the meaning and object of paragraph 4 and the concession which we were prepared to make in that connection. The text of the note subsequently incorporated in the proposals as published was as follows:—

> "*Note.*—The general intention of this proposal is to provide for the retention of existing ships which, though still in full efficiency, fall neither within the 10,000 ton 8-inch class or the contemplated class with a maximum displacement of 6,000 tons and maximum armament of 6-inch guns.
>
> "The British delegation, recognising that this proposal would leave the United States of America with no 8-inch gun cruisers in this class, are prepared to agree to the construction by the United States of vessels which, in the opinion of the naval advisers of the three delegations, would equalise the strength of the British Empire and the United States of America in this class."

We also pressed for an early public session at which we could further explain and justify our proposals. The other delegates raised no objection to this, but Mr. Gibson asked that the meeting might be deferred until the following Monday, by which time he expected to have received the reply of his Government in regard to the question of the gun.

Throughout this meeting we were struck with the manner in which the attitude of the American delegates had stiffened during our absence in London. We attributed this in part to the exacerbation caused, not unnaturally, by the prolonged interruption of the conference, and in part to the effect produced by the ministerial declaration which was interpreted as a qualification of the line previously taken by His Majesty's Government in regard to the question of parity.

On Sunday morning, the 31st July, Mr. Gibson called and informed me that he had heard from his Government to the effect that in view of the limitation of the 8-inch gun they were unable to regard our proposals as offering any basis of agreement. As both the President and the Secretary of the Navy Department were absent from Washington, Mr. Kellogg had desired him to ask for a postponement of the plenary session until Wednesday in order to admit of their being consulted as to the precise terms of the American reply. In answer to my suggestion that we should have a plenary meeting on Monday, as previously arranged, and leave matters open for two days in case some eleventh-hour solution could be found, Mr. Gibson said that in that event the American case would have to be clearly stated—a course which, in his opinion, would prevent any further possibility of agreement. That being so, I had no option but to concur in the suggested postponement, and I later myself asked for a further delay of one day in order to permit of the attendance of Lord Jellicoe who had gone to London and would not be back until the morning of Thursday.

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The following day, Monday, the American delegation published a draft clause which, invented some time previously by Mr. Dulles, they had invited us at intervals to consider, but which we had as consistently discouraged. It was as follows :—

"In the event that prior to the 31st December, 1936, any one of the contracting Powers shall consider that the tonnage allocation in the cruiser class has been utilised by any other of the contracting Powers in a manner to call for an adjustment of the total tonnage allocation of that class, such high contracting party may, at any time subsequent to the 31st January, 1931, and upon six months' prior notice, convoke a meeting of the Powers parties to the present treaty, with a view to ascertaining whether such an adjustment can be made by mutual agreement. In the event that no agreement is reached at such a conference, any of the high contracting parties may give notice of the desire to terminate the present convention, and this notification shall be effective within one year after the receipt thereof by the other parties to the treaty. In such an event the treaty shall terminate with respect to all the parties thereto."

This somewhat specious expedient, which had become known as "the political clause," had appeared to us totally unsatisfactory, inasmuch as it would have left the Americans discretion, subject only to the total tonnage limitation, to build whatever types of ship they might wish, and would have thrown upon the other parties to the treaty the onus of demanding a review of the situation in the event at any time of the Americans building large cruisers in numbers which might appear to constitute a menace. A treaty on such lines would have been no effective limitation, and might well have led to constant suspicion and friction. As the clause, however, had been published, and as the American delegation were making some capital out of it with the press, we thought it desirable to report it to you, and at the same time to suggest a possible alternative form for your consideration. Though neither enamoured of this alternative nor sanguine of its acceptance if put forward, we deemed it our duty to bring it to your attention in view of the fact that, failing some such solution, the conference appeared to us to be doomed. It ran as follows :—

"In the event that prior to the 31st December, 1936, any one of the high contracting parties shall desire to construct cruisers of larger size than 6,000 tons or carrying guns of greater calibre than 6-inch, beyond those provided for in articles S and T of this treaty, such high contracting party shall give notice of his desire so to act, and thereupon any of the high contracting parties may forthwith convoke a meeting of the high contracting parties, with a view to ascertaining whether any necessary adjustment of tonnage and other conditions can be made by mutual agreement. In the event that no agreement is reached at such a conference any of the high contracting parties may give notice of his desire to terminate the present convention, and this notification shall be effective within one year after the receipt thereof by the other high contracting parties. In such an event the treaty shall terminate with respect to all the high contracting parties.

"*Note.*—By articles S and T are meant the provisions in the treaty permitting a limited number of cruisers of 10,000 tons and allowing the maintenance of the 'York' and 'Hawkins,' 'Omaha,' 'Furutaka' classes with compensating American 8-inch cruisers.

"This article would be completed by a declaration in the final act to the effect that the whole treaty must be regarded as in the nature of a *modus vivendi* and must not be quoted as an admission of principles, whether with regard to total tonnage or the calibre of guns or any of the points referred to in the ministerial declaration of the 26th ultimo."

This suggestion, we realised, would have left the question of the gun unsettled. The Americans, I must however point out, had constantly affirmed that they could not tie the hands of Congress, but that, once having preserved the right to build whatever type of ship they considered most suited to their needs, the United States Government would assuredly not exercise that right in any manner inimical to the other parties to the treaty. They could not be made to understand either that that attitude was inconsistent with the theory underlying every treaty, or that the British Empire and Japan were in exactly the same position. While we could not have relied on the bare assurance of the American delegation, it seemed to us possible that rather than face a complete breakdown His Majesty's Government might have

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preferred a treaty leaving the Americans discretion to build 8-inch gun cruisers beyond those in the limited maximum class, on condition, as provided in our alternative to the Dulles clause, that we had the right to terminate the treaty if at any time they were to take advantage of this discretion in a manner which might appear to constitute a menace. Such a situation could hardly have arisen during the life of the contemplated treaty.

On Tuesday morning, the 2nd August, the Japanese delegates asked to meet us. On coming accordingly to my room they displayed great anxiety in the face of the imminent breakdown of the conference. Rather than see so unfortunate a conclusion to our labours, they would prefer to register even the most partial result. They then produced a plan which they had hurriedly reduced to writing in the following tentative form :—

"1. The British Empire and Japan to undertake that before the 31st December, 1931, they shall not lay down, except for replacement, any more auxiliary vessels besides those included in their authorised programmes, it being understood that the said programmes shall not be altered except in so far as is provided for in the next following article.

"2. The number of cruisers of the 10,000-ton class shall not exceed twelve each for the United States and the British Empire and eight for Japan.

"The British Empire shall be at liberty to utilise in such a way as she may see fit the remaining cruiser tonnage in her authorised programmes.

"The maximum unit tonnage of cruisers of smaller class shall be 8,000.

"3. The United States to undertake that at no period before the 31st December, 1931, her auxiliary naval strength shall exceed that of the British Empire.

"The contracting parties to undertake that they shall furnish to one another information concerning such building plans and programmes as may be decided upon before the 31st December, 1931 : Provided that in the event that any of the contracting parties shall consider that readjustment of the present agreement is required as a consequence of any plans or programmes adopted by any of the other contracting parties a conference shall be called with a view to secure such readjustment.

"4. Questions regarding auxiliary vessels not provided for in the present convention shall be settled in a later conference to be held as soon as possible and not later than the beginning of 1931."

Admiral Viscount Saito and Viscount Ishii admitted that this plan was imperfect, but urged that it would yet be preferable to no agreement at all. As it involved a return, on none too satisfactory lines, to the plan for an agreement on the basis of existing building programmes, we naturally held out no great hope that it would prove acceptable, though we undertook to telegraph it home at once.

In case, however, His Majesty's Government were to feel that the Japanese plan would be preferable to a complete failure of the conference, especially if such plan were accompanied by some agreement on capital ships, I took the opportunity of pressing the Japanese delegates once again as to the extent of the support which we might expect from them of our proposals under that head. After consulting together, Viscount Saito and Viscount Ishii indicated that they agreed with us as to reductions of size and might also support us as regards some extension of life. You will remember that hitherto they had done no more than say that they were authorised to discuss the question when all matters relating to auxiliary vessels had been satisfactorily disposed of.

The next meeting of delegates was fixed for 10 o'clock the following Wednesday evening, in order to allow of time for the several delegations to have received the final instructions of their Governments. Five minutes before the meeting I received your telegram No. 145, in which you informed me that, while the Dulles formula was, of course, impossible, even our modification of it was unacceptable in that it would mean that our 6-inch gun-cruisers, on which we should be spending large sums of money, might at any moment become obsolete. You went on to say that the Japanese proposal was not clear, but that, as you were anxious to act with Japan in preventing a breakdown of the conference, the Cabinet would desire to study it more fully and to see what further definition and modification might perhaps render it acceptable.

On arriving therefore at the meeting, I first enquired of the Japanese delegates what precisely they had meant by the term "authorised programmes." They replied that in their own case they had meant the authorised Japanese programme

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which runs till 1931 and, in our case, the programme adopted after the Birkenhead Committee of 1925. On turning, then, to the Americans, to ascertain how they viewed the Japanese proposal, we were met with the rejoinder that they could not entertain it if, as they surmised, the British programme involved a total figure of cruiser construction in excess of 400,000 tons On receiving confirmation of their own estimate, they stated that in that case they were unable to discuss the Japanese proposal further.

We then discussed the arrangements for the plenary session. Mr. Gibson said that he was strongly opposed to any further statements by the three delegations of their respective cases, on the ground that such statements could only embitter relations. He suggested that the proceedings should be confined to an agreed joint declaration, and sketched in outline the sort of thing he had in mind. He read the text of a telegram which he had sent to the State Department urging his view in this respect, and of one which he had received in reply, agreeing with it, on behalf of the United States Government. I said that my instructions were precise in directing me to restate and justify the British case, though I could assure the other delegations that my speech would be couched in terms which should not lead to the ill-effects feared by Mr. Gibson. After some discussion it was agreed, on condition that there was no debate, that the head of each delegation should make a statement, and that the three statements should be followed by an agreed joint declaration such as Mr. Gibson had proposed. This document should be drafted by the Secretariat-General, and there would be a final meeting of delegates next morning to approve it.

We accordingly met again at 11·30 on Thursday morning. After the joint declaration had been approved subject to one or two modifications of detail, I then laid on the table a document containing the final proposal of His Majesty's Government. Its terms, drawn from your telegram No. 145, were as follows:—

> "Even if there is for the present no apparent prospect of coming to a complete agreement about small cruisers, we think it would be most unfortunate if conference were to separate without arriving at some international arrangements tending to economy. A large measure of agreement has already been reached with regard to 10,000-ton cruisers, flotilla leaders, destroyers and submarines. It seems clear to His Majesty's Government that a similar agreement might easily be reached with regard to battleships. These results are not all that had been hoped for, but they are of great value and it would be an international misfortune if they were lost on present occasion. His Majesty's Government, sooner than see conference wholly fail, would be prepared to sign an agreement even if it embodied only points on which provisional agreement has already been reached by the three Powers."

On my asking the American delegates whether they were prepared to conclude an agreement of the above nature, and thus save what useful results the conference had achieved, Mr. Gibson replied without hesitation that the United States Government would sign no agreement which left the question of cruiser tonnage unsettled. The Japanese delegates would, I think, have supported my proposal, but it was clearly useless for them to consider the matter in view of the answer returned by Mr. Gibson.

The plenary session was accordingly held that afternoon, as arranged. The text of the speeches delivered, and of the joint declaration, are already in your hands. You will have observed that, while Mr. Gibson expressed such anxiety lest individual statements should lead to some embitterment of relations, his own speech was the only one of a tendencious nature, containing, as it did, more than one misrepresentation of fact.

So ended the high hopes which we had placed upon the outcome of the conference, and which, I am convinced, need not have been disappointed had the Americans but shown a more accommodating spirit. This is neither the time nor the place, however, to examine the causes of failure, nor to offer suggestions for the future.

One fact I record with the greatest pleasure; it is that, when I called that evening to say good-bye to Viscount Saito and Viscount Ishii, the latter volunteered that "the one pleasant memory he would retain of the conference" was the friendly and intimate manner in which the British and Japanese delegations had worked together in a common cause.

Before closing this despatch I should like to express my gratitude for the help and support which I received from my Dominion colleagues. We were in close

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touch throughout, and at our last meeting they did me the honour of saying that at no conference which they had attended had they been so amply informed and consulted. This fact, and the united front shown by the whole Empire in the difficult days through which we passed, will remain to me a most happy recollection.

Further, I must express my high appreciation of the invaluable assistance rendered to me by all members of my delegation. In particular, I would mention the skill, tact and patience displayed by Vice-Admiral Sir F. Field before his illness deprived me of his further services.

Finally, I should like to record the admirable way in which the secretary to the British delegation carried out his duties with untiring energy and great tact.

I am, &c.

W. C. BRIDGEMAN.

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USA

Relations with G3

NORTH AMERICA. [August 22, 1927.]

CONFIDENTIAL. SECTION 1.

[A 4935/133/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received August 22.)

(No. 1549.)

Sir, *Manchester, Mass., August 12, 1927.*

NOW that the shouting and the tumult in the press over the Tripartite Naval Conference at Geneva is dead, it may be useful to try to sum up in a general way my impression of the effect of it on public opinion in the United States. This is, of course, in such a vast country no easy task, and must be largely a matter of guesswork or intuition. I hope that what follows will be read as such and not considered as providing any foundation for a firm belief that the conclusions or inferences drawn represent definite and actual facts.

2. In the first place, I may remark that at no time—either when President Coolidge's invitation to a Naval Limitation Conference was issued, or when the conference was running its rather chequered course, or when it came to an end on the 4th instant—has the great mass of the people of this country shown any enthusiastic interest in the question. Apart from the Big Navy fanatics, who had gained a foothold in certain newspaper offices and had enlisted some rather noisy but uninfluential Congressmen like Mr. Britten of Chicago in the cause, there are really very few Americans who care much either for the army or the navy. There are, perhaps, more who are interested in the navy because it affords an opportunity "d'embêter les Anglais"—but as those who indulge in the once national sport of tail-twisting are gradually diminishing in numbers, even this did not suffice to arouse anything like general popular interest in the question. I think one might safely guess that, of the three principal subjects dealt with in the press on the 4th and 5th August, the Sacco-Vanzetti case easily took the lead so far as popular interest was concerned. President Coolidge's refusal to run again for the Presidency came a good second, while the failure of the Geneva Conference was a very bad third, hardly being in at the finish at all.

3. From this I draw one very satisfactory conclusion, which is that President Roosevelt's dictum, quoted in a previous despatch, that one of the cheapest and most remunerative things for a politician to do in this country is "to raise a yell about England," has lost a good deal of its former value. The Big Navy party, through the correspondents at Geneva and through all the anti-British elements in this country, unquestionably did their best to arouse feeling by yelling that Great Britain had violated the Washington Treaty, had hoodwinked the American negotiators at Washington, was still trying to hoodwink those at Geneva and was determined by all means, fair or foul, to maintain her supremacy on the seas in spite of fair promises about recognising parity. The newspapers in many cases, while printing editorials, which were much more moderate than the Geneva articles, did not seriously attempt to stem this flood of misrepresentation. Nevertheless, the public refused to be moved or to get really excited over the question. This is the first time, within my memory at least, that so deliberate an anti-British campaign has met with so little success. It means, I think, one of two things—or both together:—

(1.) A diminution of anti-British feeling in this country as a whole—though there are still some bad places.

(2.) A diminution of the credulity of the public in the infallibility of the press.

4. Both these changes cannot but be regarded as satisfactory and making for peace and goodwill in the future.

5. As regards the situation created by the failure of the Geneva Conference, we may, I believe, diagnose it as follows:—

Inasmuch as the inhabitants of the United States now believe that their country is so rich that it can easily afford a little luxury in the matter of naval construction, the President's economy campaign in this respect has never met with any very enthusiastic support. Unless I am mistaken, the attitude of the man in the street would be: "Well, Uncle Sam can afford a navy second to none, and why shouldn't he have it?" But the man in the street was quite obviously

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not convinced that a large fleet was a vital necessity for the country, and he therefore treated the whole question very lightly and was not disposed to get annoyed with anyone on account of the conference. There have been no popular meetings throughout the country passing resolutions for or against a strong navy, and, when the conference ended, the tone of nearly all responsible papers was markedly moderate and not unfriendly to Great Britain. The pro-navy press alone expressed satisfaction in that the United States Government would now have its hands free to build as many cruisers as it saw fit. The "Chicago Tribune" alone has continued to harp on its favourite string of the necessity of demanding the abolition of all British naval bases on this side of the Atlantic, if not the surrender of the British West Indies themselves.

6. On the whole, therefore, since the final meeting, I see little to complain of in the attitude of the press or the people generally, and I think we may safely say that the conference has left no feeling of bitterness behind it in this country.

7. Had it succeeded, this might well have been different; for then the Big Navy party would have carried on an anti-British campaign, being furious at being baulked in their object of building a large number of 10,000-ton cruisers. One great advantage, therefore, we have actually scored in the failure of the conference, and this is that, while, had it succeeded, the Big Navalists would have continued their yells about American negotiators being always hoodwinked and let in by the British, they will now have to fight their battles for a big fleet squarely against their American antagonists in Congress; that is, against those numerous and influential Americans who do not believe that the United States requires as large a number of vessels of war as the Big Navy men desire. No doubt, in the debates we shall witness in Congress next session over the naval appropriations our Big Navy friends will accuse Great Britain of harbouring every species of evil design in her heart because, to justify their programme, they must put forward some potential enemy, but we may, I think, now confidently look forward to such arguments falling very flat. It may well be doubted if the money for building up to fifteen 10,000 cruisers will be voted, or, if it is voted, whether they will ever be built.

8. As regards, therefore, any great popular movement in favour of a predominating fleet, I feel fairly confident that we need not be uneasy.

9. There is, however, one aspect of this question to which I have already referred once or twice in telegrams and despatches which does make me very uneasy for the future. This is the determination of many influential Senators and Congressmen to maintain at all costs in future the "freedom of the sea" and the "rights of neutrals" in time of war.

10. It was this, as I have already pointed out, which made the United States Government so intransigent in the matter of not yielding to the British proposal to restrict the size of guns on the lesser type of cruiser to 6 inches. I have reason to believe that certain influential Senators of the Foreign Affairs and Navy Committees told Mr. Kellogg that they would never ratify any agreement containing such a provision. This side of the question is beginning to be mooted in the press by such serious writers as Mr. Frank Simonds—copy of a syndicated article from whose pen I have the honour to enclose—Mr. Albert Shaw of the "Review of Reviews," one of the editorial writers in the "New York Times," and others, who really influence intelligent public opinion. Mr. Albert Shaw, in the "Review of Reviews" of this month, draws attention to the fact that the United States Government has only been twice drawn into a European war, once in 1812 and once in 1914, and both times in defence of her rights as a neutral using the high seas. He points out that President Wilson, the pacifist, was in favour of largely increasing the United States fleet after the war on the grounds that American neutral rights should never again be treated with such little consideration as they were by France and England in 1812, or by Germany and England during the late war.

11. Here, indeed, it seems to me, lies the only really serious possibility of conflict between Great Britain and the United States. We may earnestly hope that the occasion therefor may never arise, but should it do so and should Great Britain ever again be involved in a European war, it is far from unlikely that we may have to choose between prosecuting a blockade of the enemy as we did from 1914 to 1918 and finding the United States associated with the enemy in a war against us, on the one hand, or the benevolent neutrality of the United States on the other.

I have, &c.

ESME HOWARD.

National Archives of Australia NAA: A981, UNI 173 PART 1

Enclosure in No. 1.

Extract from "Buffalo Evening News" of August 6, 1927.

BRITISH SCENT SEA POWER MENACE IN UNITED STATES NAVY PLAN. TRY TO MEET IT.

THE general and even official protest of the British over the American press comment upon the Naval Conference gives peculiar point to the fashion in which the British press has dealt with the same subject.

But, while the English charge with complete unanimity that the American press has totally misrepresented the British case and indulged in propaganda of the most misleading and mischievous sort, what one must conclude from reading the British newspapers and magazines is they have not misrepresented so much as ignored the American case.

At the bottom of all British comment lies the manifest assumption the American demand for equality is, in itself, not only lacking in any real justification, but represents either a deliberate pursuit of prestige abroad or of domestic political ends at home.

While there is general disagreement as to the manner in which the British Government should deal with the problem raised at Geneva, those who would conciliate and those who would oppose the American thesis agree in spirit that there is no solid warrant for the American course.

It is amusing to find the old phrases familiar in the pre-war days of Anglo-German discussion of a naval holiday cropping up now. Yet nothing is more frequent in British comment than the assertion the navy is a luxury for the United States, while it is a necessity for Britain. All British discussion starts from the declaration the United States wants a navy patently, but does not need it.

Thus, in the British press, the real debate lies over the wisdom or folly of meeting the American demand purely as a question of British policy. Commentators like Lord Lee, Viscount Grey and J. L. Garvin see clearly and urge earnestly that the real issue is not between rival navies, but between people whose friendly relations are of utmost importance to both. Grey, Garvin and Lee would humour American feelings to preserve American friendship.

But for all Britain there is the same almost incredulous amazement the United States should desire a navy at all. Second only to this is the bewilderment over the fact the American people, as a whole, fail to see instantly and utterly the justice of the British contentions.

The charge of propaganda arises not from any careful examination of the American press, but from the fact the American press has not accepted the British thesis. The disclosure, too, that American opinion has been stirred deeply at what it conceives to be British manœuvring and device, is final evidence it has been deluded by its own press despatches.

"The United States does not need a navy. Since it wants it, this extraordinary desire must either disclose an imperialistic and prestige-seeking spirit, or does actually constitute a challenge to Britain." Here, after all, is the sum and substance of the British conclusion. "The American press has failed to present the British case fairly. Hence the American people do not understand. If they understood then they would agree. But, if by any chance, facing the facts they did not agree, then the whole affair must take on a sinister aspect."

Of course, the main circumstance in the whole issue never is presented to the British public. If there is any real warrant for the American demand for naval equality it rests on the obvious fact that, twice in our history great European convulsions have involved us in foreign wars because we were so weak and defenceless at sea that all parties to the conflict believed they could disregard our rights and risk our resentment.

Had the United States possessed a fleet equal to the British naval strength it demands, we should have been in a position to protect our own rights and defend the rights of all neutrals in the world. We then should not have been called upon to submit to the long series of invasions of our unquestioned rights on the part of the Allies, which led to the ultimate German action, which made us a belligerent.

The question of protecting either our merchant marine or our own shores against an open enemy is far from being the chief or the most valid reason the United States should have a fleet. We cannot be invaded, as the British point out.

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In a war with the British Empire, which all agree is unthinkable, Canada would be defenceless, and with Canada would go the Empire itself. Nor is there the smallest possibility any hostile army could take root on our soil because our fleet was inadequate to the task of keeping off a new armada.

But it is fact, if we confine our naval strength to battleships and leave the British complete superiority in all save combat elements, their cruiser strength and the additional strength coming from the transformation of liners into cruisers would enable them to dominate all the trade routes of the world, as they have done for centuries, and as they did with conspicuous success in 1914.

In the World War, the British, like the Germans, tore up international law. They based their action on the fact the German use of the submarine was a violation of all international law, and their course was a reprisal.

There is no such thing as freedom of the seas, and there has been no such thing since the rise of British naval supremacy. There could only be freedom of the seas in any sense when nations were capable of protecting their rights and that capability served to forbid any illegal interference. That situation would exist if the United States and Great Britain possessed equal fleets, in cruiser tonnage, as well as battleships.

It is unfair and inexact to charge the British with secret and skilfully indirect methods of seeking to perpetuate their control. The thing goes much deeper than that. All well-informed Englishmen perceive that once the United States has an equality in battleships and cruisers, not only is British sea supremacy a thing of the past, but Britain never can win another war save as it is assured of the sympathetic attitude of the United States. The day of the old-fashioned blockade is over, it cannot be restored.

The thing too little perceived in the United States is the whole struggle for naval equality actually leads to the destruction of British sea supremacy. Control of the sea does not reside in the British battle fleet or the combat cruisers. It lies in the control of the vital sea lanes by the British minor but numerous small units based upon ubiquitous naval bases. If they can be equal in all combat units and superior in small commerce destroyers, the British still will control the seas.

This control was attacked when we said at Geneva there must be equality in cruiser tonnage. If there is to be equality within the limits of 300,000 tons, or even 400,000, the British cannot be equal in cruisers and superior in commerce destroyers, they have to let go of one or the other form of superiority. But either surrender does the job so far as actual naval supremacy is concerned.

Of course, the British see all this. They see the United States' proposals put a term to British sea domination. It is true the British need a large fleet of small cruisers to guard their vital lanes of communication. But it is equally true this large fleet has an offensive quite as much a defensive mission. It not only guards British commerce, it can and does just as certainly regulate the use of the seas by neutral merchant marine, not with regard for international law, but with regard to British interests. The American proposals at Geneva would break the blockade which for a century and a half has constituted the basis of British power in the world.

The very principle of equality, as the United States presents it, if applied . . . . sea supremacy as Trafalgar or Jutland might have been, had either ended with the destruction of the British battle fleet. Once there is actual equality, the United States and not Great Britain becomes the world arbiter.

At the bottom of all the Geneva controversy lies the lesson of the World War and of the Napoleonic struggle behind that. Sea power won both wars and saved Britain. If we would have supplied Germany as we did her enemies in the World War, Germany would have won.

And just as instinctively, the British see the menace and are seeking to meet it. They are dimly conscious the equality we demand carried a deadly threat to their existence, not because of any danger of an attack by the American fleet, but because the secular strength of Britain falls to the ground the moment that, in war, a neutral State can put an unchallengeable limit upon their control of the sea.

All these perils would be avoided if the United States would consent to any form of alliance with Britain, then our fleet would reinforce theirs and we should share the control. But we have refused and doubtless we shall continue to refuse this. As a result, our whole policy leaves the British Government and its naval branch appalled and the British people apprehensive.

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USA

BRITISH Relations

LEAGUE OF NATIONS. [August 3, 1927.]

CONFIDENTIAL. SECTION 1.

[W 7295/61/98] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received August 3.)

(No. 1161.)

Washington, July 18, 1927.

Sir,

THE attitude of the Big Navy party towards the Geneva Conference may perhaps be as well understood from the two enclosed cuttings* from the "Washington Post" of Sunday the 17th July, as by reading thousands of newspaper reports and articles from all over the country. These enclosures seem to me to summarise admirably the whole position from the point of view of that comparatively modern creation—the American militarist. Jingoes we find in every country. I remember the late President Roosevelt saying to me once that, when he felt too "spread eagley," he sat down and read the American experiences of Martin Chuzzlewit and found them a wholesome corrective. I fear, however, that if a second Martin Chuzzlewit were to visit this country now and write his experiences of the present navalists, his book would be received with as much indigation as the original Martin Chuzzlewit was at the time and it would take at least a generation before any leading American would read it as a corrective.

The first of these two enclosures is a cartoon depicting Uncle Sam playing poker with John Bull—who puts a ship on the table, while Uncle Sam holds an ace of clubs in his hand which is covered with dollar signs, while he sits on numberless money bags bearing the dollar sign. The legend beneath this picture runs: "Uncle Sam Holds the Club over John Bull's Bid in that Suit."

This explains the mentality of the big navalist: "We want the ships, we've got the men and (above all) we've got the money too." It is another version of the song the London music-halls used to sing in the eighteen-seventies.

Whether the ships are needed or not is quite a secondary consideration: the point to be emphasised is that Uncle Sam is sitting on numberless money bags and that ships can be paid for. This, though crudely put, is undoubtedly true and must be taken into consideration as one factor in any conference for naval limitation with the United States of America, now or hereafter.

The second enclosure is an article by Will Rogers, the cowboy humourist, greatly beloved of the middle west. His description in this article—which being syndicated will be read by millions—of what happened at the Washington Conference represents the belief of the great mass of the American people. It is that the United States Government there performed, as he puts it, "the biggest boob trick ever performed by an alleged civilised people," in sinking a very promising navy of battleships and, according to the American navalist view, getting nothing for it in return. It is useless to argue with people to whom this has become an article of faith.

Then he goes on to say that "England finally admitted that America had a right to as big a navy as they have—now that sure was displaying a bunch of generosity."

That also has now become an article of faith that the British Government at first denied American "right to parity," as if it were a matter of "right" at all and not a matter of need or expediency.

The serious part of all this is that Will Rogers is one of the people who in this strange country really help to make public opinion. What he writes "goes" in the west, middle west and, to some extent, in the east, and when he underlines what is already generally believed and resented, like the legend that Great Britain tricked the United States at the Washington Conference and then waited to "deny the United States the right to build the ships it thought it should have," it will be still more believed and resented.

There is nothing, I fear, to be done to eradicate immediately the effects of the campaign of misrepresentation in which the big navalists have now indulged ever since the Washington Conference, except to keep cool in spite of their provocation, to go our own ways without "talking back" and prove by our actions to the mass

* Not printed.

National Archives of Australia NAA: A981, UNI 173 PART 1

of the people of the United States that they have nothing whatever to fear from us. Then I believe that, as the creation of a big navy for its own sake is not an ambition that is likely to stir the heart of the American taxpayer to part with an altogether unnecessary quantity of dollars, we shall see this campaign subside and fizzle out and the navy question relegated to the place to which it rightly belongs in the general economy of this country.

I have, &c.
ESME HOWARD.

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File No.....

No. in File 1.

EXTERNAL AFFAIRS.

SUBJECT:

U.S.A.- RELATIONS WITH GREAT BRITAIN.

G E N E R A L.

545.

Last Paper

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Statements and F.O. Reprints, period 1922-1927.

Action Complete

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COMMONWEALTH OF AUSTRALIA

OFFICE OF THE COMMISSIONER FOR AUSTRALIA IN THE U. S. A.

PRIME MINISTER'S DEPT. NOV 30 1927 No.

ALL OFFICIAL CORRESPONDENCE TO BE ADDRESSED TO:
THE OFFICIAL SECRETARY

25 BROADWAY
NEW YORK

IN REPLY PLEASE QUOTE FILE NO._____ MEMO NO. PM/27/373

28th October, 1927.

The Rt. Hon. S. M. Bruce, P.C., O.M., M.P., M.C.,
Prime Minister,
Canberra, F.C.T.

My dear Prime Minister,

BRITISH PROPAGANDA IN AMERICA.

You have no doubt seen from the cables that a very strong movement has been initiated by the Mayor of Chicago to oust from the Public Library and the school system of that city anything which may be considered to be favourable to Great Britain, or which might be in any way taken as British propaganda, even though written by American historians.

This matter is stirring up very considerable feeling in this country between the different race sections, andpromises to undo a very great deal of the friendly work which has been going on during the last ten years in connection with American and British co-operation and friendship.

I enclose what I think is the best cartoon that has been published up to the present on this subject, just for your personal perusal.

I also enclose cutting from the "New York Times" yesterday in relation to a new book which is to be published shortly both in England and America, edited by Commander J. M. Kenworthy, M.P., and which, if the published report of its contents is correct, is likely to still further inflame public feeling here against Great Britain. It is a great pity that the British Government cannot forbid the publication of such a book, or at any rate insist on a material modification of some of the statements contained in it.

Yours sincerely,

Hugh R. Denison

COMMISSIONER FOR AUSTRALIA IN U.S.A.

HRD/DM

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PM/27/373

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Yours sincerely

HRD

COMMISSIONER FOR AUSTRALIA IN U.S.A.

HRD/DM

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Mem. Prime Minister.

I do not know whether you agree as to the wisdom of criticising publicly the Chairman of the U.S. Foreign Affairs Committee of the Senate, who, after all, possesses a Constitutional, and therefore a public position in the Conduct of U.S. affairs.

WH.

18-I-38

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REFERRED FOR INFORMATION EXTERNAL AFFAIRS.

From Office of the Commissioner for Australia in the U. S. A., 25 Broadway, New York
Transmitted through Publicity Branch, Prime Minister's Department, Melbourne

New York "Herald Tribune," October 29, 1927.

USA

Australian Calls Chicago Mayor Trouble Maker

Sir Hugh Denison Tells Sulgrave Institution Borah Is Provincial and Some U. S. Business Men Narrow

Thinks Schools at Fault

Captain Creed Applauds Herrick's Idea for Some Envoys Akin to Lindbergh

Deprecating the activities of elements that would tend to lessen the friendship between the United States and Great Britain, Sir Hugh Denison, Australian High Commissioner, speaking before the national women's committee of the George Washington-Sulgrave Institution at the Waldorf yesterday, severely attacked Mayor William Hale Thompson of Chicago for "stirring up racial antagonism" by charging that Chicago school histories were pro-British.

Sir Hugh also rebuked Senator William E. Borah for being provincial, saying the chairman of the Senate Foreign Relations Committee admittedly refrained from going abroad for fear his opinions might be changed.

Several hundred women, with a few men, were assembled in a small room where Sir Hugh spoke. Mrs. Alton B. Parker, chairman of the committee, presided. Beside her sat Captain Percy Redfern Creed, a cousin of Field Marshal Sir Henry Wilson, and Commander George M. Dyott, of the British air forces, who is in this country preparing for an expedition into central Brazil to search for the lost British explorer, P. H. Fawcett.

Assails Provincialism

Sir Hugh first attacked Mayor Thompson and then, after criticizing Senator Borah without mentioning him by name, took to task American business men for not being more interested in foreign affairs and American public schools for not teaching more subjects than those that pertain to America.

"It seems a shame after the prolonged friendship between the English-speaking nations that there should be a certain person in Chicago who for selfish or political reasons is stirring up racial antagonisms and trying to destroy the good feeling," he said. "It is a thousand pities that at this time when this poor old war-worn world desires peace that we should have an element stirring up race feeling.

"I have spoken three times in Chicago, and each time was well received, and I am not afraid to go there. I would like to tell William Hale Thompson what I have told you to-day. I would like to show William Hale Thompson by the force of good example and by pointing out the facts of civilization the folly of his activities and tell him he cannot keep the two peoples apart."

In his travels in this country, Sir Hugh said, he was impressed by the lack of interest shown in foreign affairs. "It is astonishing that the Senate, which has the power to make treaties and to make or unmake friendly relations abroad, is headed by a man who admittedly has never visited a large part of his own country and who never travels abroad for fear he might have his opinions changed.

Calls Big Business Narrow

"I have also found among leading business a terrible lack of knowledge of not only of the United States, but of other countries. Big business, it seems, is so closely taken up with its own affairs that it has no time to study conditions abroad. Sir Hugh said he found in the public schools that the teaching was almost confined to subjects pertaining to America. He deplored, he said, the absence of geographies and histories that would give the pupils a more comprehensive knowledge of world affairs.

Captain Creed presented an interpretation of the recently published diaries of Sir Henry Wilson. The impartial reader, he said, would draw from the diaries the conclusions that politicians were impotent to avert war, that they were unfitted to wage war, and that they could not repair the ravages of war because they failed to grasp and turn into practice the essential conditions of peace as expressed in the ideal of "fair play for all and a sporting chance for the under dog."

He quoted M. Clemenceau, the war Premier of France, as having said: "If I wrote my memoirs not a man would go to war, even if the security of his country demanded it."

"Amb ssador Herrick," said Captain Creed, "in referring to the warmth of the reception given to Colonel Charles A. Lindbergh by the French people, declared jokingly that he favored taking international affairs out of the hands of politicians and putting them into the hands of a committee of sportsmen, of which he would make Lindbergh chairman. There is many a true word spoken in jest, and Ambassador Herrick is a diplomat."

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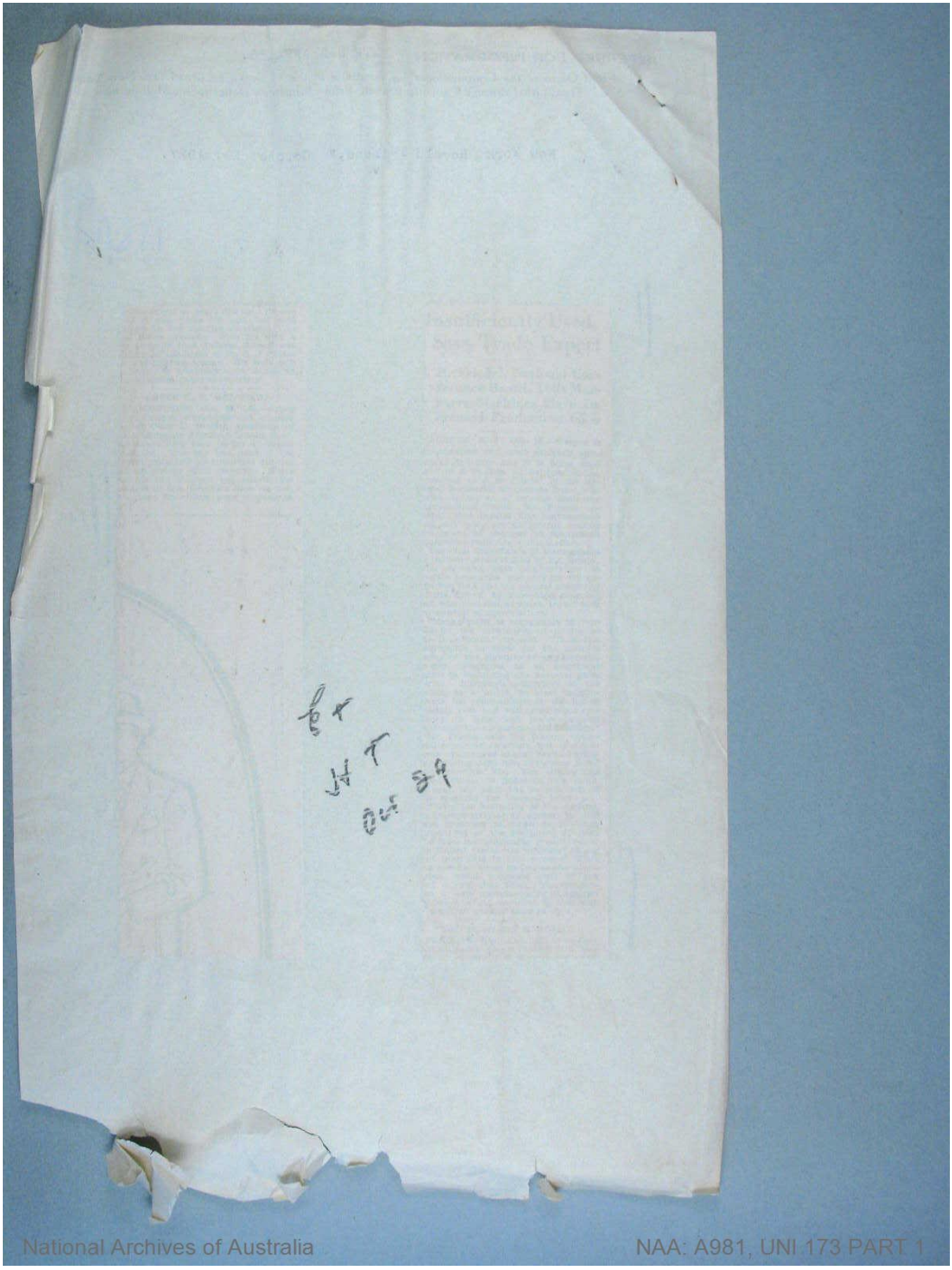

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"The World," New York, 22nd October, 1927.

REFERRED FOR INFORMATION FROM
THE OFFICE OF THE
COMMISSIONER FOR AUSTRALIA IN U.S.A.
50 BROADWAY, NEW YORK

"IF I CATCH YOU INSIDE THE CITY LIMITS I'LL RUN YOU IN"

National Archives of Australia NAA: A981, UNI 173 PART 1

"New York Times," 27th October, 1927.

REFERRED FOR INFORMATION FROM THE OFFICE OF THE COMMISSIONER FOR AUSTRALIA IN U.S.A. 25 BROADWAY, NEW YORK

ENVISIONS US FIGHTING BRITAIN AND JAPAN

Lieut. Commander Kenworthy Predicts England Will Head Union of Distract of America.

Possibility of war between the United States and Great Britain, with Japan as a British ally and Canada neutral, is seen in the not distant future by Lieut. Commander J. M. Kenworthy, M. P., in his book, "Peace or War," soon to be published in this country, says The Associated Press.

"If events move in the next ten years as in the past nine," he writes, "England will stand at the head of a European federation of distrust against America. If after 1921 there is no renewal of the Washington treaty of 1921, the world will accept the possibility of a devastating Anglo-American war."

The British naval bases at Jamaica and Halifax in the event of war would be of tremendous strategic advantage to Britain, he says.

Other war possibilities outlined in the volume include that of a conflict between Great Britain and Russia. The writer maintains that rivalry in the Orient may bring an outbreak there sooner than is expected. Russian army officers, he writes, are ambitious for a conquering rôle.

An introduction to Commander Kenworthy's book is contributed by H. G. Wells.

Commander Kenworthy, former member of the Admiralty War Staff, sees mistrust between the British and American peoples as latent and easily capable of being fanned into a consuming passion. Upon the politicians of both countries he lays the blame for the conditions he alleges.

Jealousy of America's financial leadership, bitterness of the British people over payment of the American war debt and mounting commercial rivalry are all cited as factors in the situation the Commander describes.

The writer says a naval alliance between Japan and Great Britain would bottle up the Panama Canal and destroy the mobility of the American fleet, leaving the nation at the mercy of its attackers.

Commander Kenworthy was one time heavyweight champion of the British Navy and had a distinguised career during the World War and since then has had just as distinguished a political career.

He is the eldest son and heir of the Ninth Baron Straboigi and during the war was in command of H. M. S. Bullfinch. Since 1919 he has represented Hull in the House of Commons and is considered one of the strongest members of the Labor Party. He is an ardent Zionist, a Vice President of the British Air League, Vice Presidnet of the British Legion and before he became a Laborite was a Liberal in politics.

He visited this country early this year, spending a month here studying Zionism, labor and economic problems.

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USA

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Relations with GB

[A 4979/4398/45] No. 1.

Sir Austen Chamberlain to Sir E. Howard (Washington).

(No. 1149.)

Sir, *Foreign Office, August 27, 1927.*

I TRANSMIT to your Excellency herewith copy of a memorandum,* compiled in the Hydrographic Department of the Admiralty, describing in detail the practice of the United States Hydrographic Office in reproducing British Admiralty charts almost in facsimile and without acknowledgment of the source of the information upon which such reproductions are based.

2. The enclosed memorandum proves conclusively that for a number of years, and particularly since 1914, the United States Hydrographic Office have been reproducing Admiralty charts, without any acknowledgment of this fact, the only alterations of note being that the titles and the compass-roses have been redrawn in accordance with the standard United States style. It will be appreciated that by adopting the above policy the United States Hydrographic Office have been able to reproduce Admiralty charts at a very low price, and will thereby eventually be enabled to undersell the output of the Hydrographic Department of the Admiralty, which is called upon to bear the full burden of drawing up the charts in the first instance, and which has to charge for the charts sums sufficient to cover the cost of production. Moreover, by using these unfair methods, the United States Hydrographic Office are gaining, at the expense of the Admiralty, a totally undeserved reputation for energy and productiveness, and also a reputation for accurate and thorough work that it would have taken them many years to acquire by fairer methods.

3. The activities of the United States Hydrographic Office are obviously contrary to the spirit and intention of the resolution adopted by the International Hydrographic Conference in 1919, as well as to ordinary international practice. The resolution in question stated—

> " that it is desirable that every hydrographic office should be free to reproduce, *except in facsimile*, all publications of other hydrographic offices, provided that *such reproduction shall have printed on it a due and proper acknowledgment of the original source from which it is derived.*"

At the further International Hydrographic Conference held last year, an effort was made to strengthen the above resolution, but at the critical moment the United States delegate rose and left the conference room, thus rendering a frank and free discussion of the matter impossible. The attitude assumed by the United States delegate conveys the impression that the United States Hydrographic Office are under no illusions as to the irregularity of their present conduct.

4. You will also note from the enclosed memorandum that, while the United States Hydrographic Office are in reality engaged in what is nothing less than wholesale copying of British charts, or charts which have been redrawn and translated by the Admiralty (with due acknowledgment of their origin) from the charts of other nations, they are attempting to show what is not the case, namely, that they are rapidly becoming independent of Great Britain in the matter of charts. Thus, in the United States Hydrographic Office annual report for 1922, pp. 45 and 46, will be found the following statement :—

> ". . . . That the United States is dependent on Great Britain for 1,100 charts is embarrassing to good loyal Americans. . . . ."

The 1,100 charts mentioned are obviously those British Admiralty charts which, at that date, were still required to make up the world chart sets issued by the United States Hydrographic Office; and in view of the policy then openly advocated and still being actively pursued of appropriating these charts also as rapidly as possible, it would appear that, in the opinion of that office, American embarrassment on the

* Not printed.

National Archives of Australia NAA: A981, UNI 173 PART 1

subject can be entirely removed by a process of simple appropriation, provided it be sufficiently extensive, of the results of another nation's labours.

5. The United States Hydrographic Office pursue a similar policy of irregular appropriation in the matter of Admiralty Sailing Directions, as will be seen from the enclosed memorandum.

6. I shall be glad if you will take an early opportunity of addressing strong representations to the United States Government on this matter. As to whether these representations should in the first instance be made by means of an official note, or through a semi-official communication addressed by you to the Secretary of State, I leave it to your discretion to decide. While I find it hard to believe that any attempt would seriously be made by the United States Government to justify the activities of the United States Hydrographic Office, I consider it desirable to add that, unless the policy of the latter is modified so as to conform with international practice, it will be necessary for His Majesty's Government to consider the question of copyrighting the Admiralty publications as a means of defence against unfair usage, which would doubtless necessitate explaining to Parliament the reasons for taking such action. You may consider it desirable to hint as much to Mr. Kellogg.

7. A complete set of the British and American charts quoted as examples in Appendices II and VII, together with a copy of the enclosed memorandum, are being sent direct to the naval attaché by the Admiralty, so that Captain Stopford will be in a position to provide definite evidence if it is required.

I am, &c.

AUSTEN CHAMBERLAIN.

National Archives of Australia NAA: A981, UNI 173 PART 1

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[A 4928/4021/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received August 22.)

(No. 1532.)

Sir, *Manchester, Mass., August 11, 1927.*

THE solemn dedication of the Peace Bridge at Buffalo at which, as you are aware, His Royal Highness the Prince of Wales and Mr. Stanley Baldwin were present, together with the Vice-President of the United States, Mr. Dawes, the Secretary of State, Mr. Kellogg, Mr. MacKenzie King, Prime Minister of Canada, Mr. Howard Ferguson, Prime Minister of Ontario, Mr. Ross, Lieutenant-Governor of Ontario, and other Canadian authorities, passed off very satisfactorily without any hitch.

His Royal Highness and the British and Canadian parties were met half-way across the bridge by the Vice-President and the American authorities, where, at the request of the Prince of Wales, a ribbon dividing them was cut by Mrs. Dawes. After this all repaired to a stand which had been erected on the American side of the Niagara River, and short speeches were delivered by the Prince of Wales, Mr. Baldwin, the Vice-President, Mr. Kellogg, the Prime Minister of Canada, and the Prime Minister of Ontario, and Governor Smith of New York, and prayers were said by the Chief Rabbi of Buffalo, a Protestant clergyman, and the Roman Catholic Bishop of Buffalo. The speeches were broadcasted over a greater area than has ever yet been done. They were taken up by the General Electric Company at Schenectady and from there relayed to Great Britain, South Africa, New Zealand and Australia, besides being distributed over the whole of North America. It was calculated that they may have been heard by some 50 millions of persons. The concourse assembled in front of the grand stand was one of the largest I have ever seen, and was estimated by the newspaper correspondents as between 100,000 and 200,000 people. The weather was fortunately perfect, and, considering the crowds of people present, the whole ceremony was very satisfactorily arranged. The authorities were extremely nervous lest there should be some bomb outrage on account of the recent confirmation of the death sentence on the two anarchists, Sacco and Vanzetti, by Governor Fuller of Massachusetts, and I understand that every possible precaution was taken. In any case, it is satisfactory to record that no attempt of the kind was made.

Both the Prince of Wales's and Mr. Baldwin's speeches were received with favourable comment, but the only speech which, because of its direct references to the late Geneva Disarmament Conference, has received special attention was that of Mr. Vice-President Dawes. After referring to the common language, the common ideals of citizenship and the common principle in government of individual liberty under law as the firm bedrock on which the relations of the English-speaking peoples were based, the Vice-President went on to say that at times temporary misunderstandings might annoy us, but that they were only eddies in the great current of fixed public opinion, and whenever any differences assume real importance in the minds of the English-speaking peoples there would come from their heart and conscience, which were inarticulate upon trivial things, a universal cry for peaceful and reasonable adjustment. There should not, he continued, be any discouragement in the slow progress of the naval discussions and the adjournment of the Geneva Conference without a solution. That meeting was but an incident in the steady onward march of the principle agreed upon by the great naval Powers at the Washington Conference, in accordance with which two great English-speaking peoples pledged themselves to equality in naval strength. After saying that it was not a mistake to call the conference, he said that it would serve to educate all of the peoples as to some of the details of the special necessities of each nation. "Perhaps before this conference was held there was not the preliminary careful appraisement by each conferee of the necessities of the other; perhaps too exclusive concentration by each conferee upon the necessities of his own nation resulted in predetermined ultimata before a comparison of views; perhaps the public announcement of respective programmes early in the conference produced fears of domestic

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public repercussion if they were reasonably modified, as would be necessary to effect an agreement."

After saying that experts might be slow in interpreting in terms of respective ships a programme of equality, he said, with great emphasis, that it was unthinkable that Great Britain and the United States, which were solemnly pledged to the principle of equality, would again place upon their peoples the burden of competitive naval building, because temporarily their experts disagreed in their practical interpretation of that principle. If in their respective programmes the United States required heavy cruisers which Great Britain did not need and Great Britain required light cruisers which the United States did not need, there was no excuse for inaugurating a competition under which ships would be built which neither of them need.

He went on to say that the occasion was not an ordinary one on account of the distinguished visitors who were present. Their presence was especially appreciated by those living on the south of the extended border line, who greeted them as friends and neighbours, while their hearts, their homes and their land were open to the visitors from the north.

It was interesting to remark that the Prince of Wales received a more hearty popular ovation when he rose than any of the other speakers.

I have, &c.

ESME HOWARD.

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NORTH AMERICA. [July 5, 1927.]

CONFIDENTIAL. SECTION 1.

[T 8301/8301/383] No. 1.

Sir Austen Chamberlain to Sir E. Howard (Washington).

(No. 915.)

Sir, *Foreign Office, July 5, 1927.*

THE American Ambassador referred to-day to the suggestion thrown out by M. Briand for a treaty between France and the United States for the outlawry of war. What would come of this suggestion the Ambassador could not say, but conversations would certainly take place upon the subject. In this connection he remarked that the Root treaties of arbitration, including our own treaty with the United States, would shortly expire, and he asked informally what was likely to be the attitude of His Majesty's Government in the matter. Would His Majesty's Government be prepared to renew this treaty?

I replied that I could say confidently even without consulting my colleagues that we should be most ready to renew the treaty. I had rather supposed from the way in which the Ambassador approached the question that he wished to know whether we should be prepared to consider some alteration of the treaty giving a wider scope to the principle of arbitration, and upon this point I said that I had not considered the matter and could not speak confidently without consultation with the Cabinet. It appeared, however, that the Ambassador had no desire to raise this issue. He merely wished to know, for the information of the Secretary of State, whether the treaty could be renewed in its present form, and he gave me to understand that he would probably make a formal proposition for such a renewal before long.

I am, &c.

AUSTEN CHAMBERLAIN.

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[A 2348/128/45] No. 1.

Sir E. Howard to Sir Austen Chamberlain.—(Received April 21.)

(No. 718.)

Sir, *Washington, April 8, 1927.*

LAST week saw one of the dirtiest electioneering campaigns in the history of the United States, namely, that for the mayoralty of Chicago. There were three candidates: William E. Deever, Democrat, who had been mayor since 1923; William H. Thompson, Republican, mayor from 1915–23; and Dr. J. D. Robertson, an Independent.

2. Deever represented the so-called better element. "Deever for Decency" was his war-cry. He had done his best to enforce prohibition and to carry out the law generally, without much success, it is true.

3. Robertson apparently had no chance for election.

4. Thompson seems to have won the election on his anti-British and ultra-wet programme. His slogan was: "Keep the King's nose out of Chicago." Great Britain was responsible for all the ills which have befallen the United States in general and Chicago in particular; and there was no crime of which King George V was not guilty. "America first and all the time" was his motto. He accused the League of Nations of getting into the schools of Chicago and corrupting the young pupils. King George was responsible for this! He accused one of the leading Irish extremists of Chicago of being the tool of His Majesty for his nefarious designs.

5. While Deever tried to enforce prohibition to the best of his ability, Thompson has openly boasted that he will have all the saloons open again. He reviled Deever because none of his appointees had been indicted during his mayoralty. This was unfair since most of Thompson's lieutenants had been arraigned for graft, which had of course been done by order of King George.

6. Thompson's victory by a majority of about 70,000 is also a blow to Lowden's candidacy for the presidency, since Deever's party supported Lowden, while Thompson, although a Republican, does not.

7. The underworld of Chicago, undoubtedly the most vicious in the world, will hail Thompson's return, as Thompson stands for corruption and may almost be said to condone vice.

8. The campaign was marked by the most bitter vituperation. Little was heard of the problems of taxation, streets, parks, or other municipal issues. The actors in the drama seem to have occupied themselves almost entirely in vilifying the characters of their opponents. Nearly 1,000,000 voters went to the polls; police squads in cars armed with rifles and machine guns patrolled the streets, the State militia was called out, bombs were thrown and general pandemonium reigned.

9. Several explanations with regard to Thompson's victory are given. Firstly, Chicago is strongly Republican. In 1924, the city gave Mr. Coolidge 638,000 votes against 226,000 for Mr. Davis and 106,000 for Mr. LaFollette. Secondly, Chicago does not care for prohibition, and Thompson has promised that drinking shall not be interfered with. Thirdly, Thompson favours the negroes, and had the German and Irish vote as well. He was beaten in 1923 when his dirty record was fresh in the minds of the voters, but it is by no means uncommon for this kind of demagogue to "stage a come-back" in this country.

10. The press on the whole is by no means happy over Thompson's victory—even the Republican papers—while practically all the papers, including the anti-British "Philadelphia Ledger," deprecate Thompson's allusions to Great Britain and King George.

I have, &c.
ESME HOWARD.

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NORTH AMERICA.

CONFIDENTIAL.

[February 15, 1927.]

SECTION 1.

[A 997/93/45]

No. 1.

Sir Austen Chamberlain to Sir E. Howard (Washington).

(No. 208.)

Sir, *Foreign Office, February* 15, 1927.

THE American Ambassador spoke to me to-day about the question of gun elevation on existing battleships. He was instructed to represent the American point of view to me, and he developed in some detail and in a most friendly way the arguments in favour of an accommodation on this disputed point.

As soon as it became clear to me that the Ambassador's instructions were limited to making friendly representations of this kind, I told him that I was in a position to give an answer which I thought would be entirely satisfactory to him. The British Government had been reviewing the question, and, whilst adhering to their view of the proper interpretation of the Treaty, they had no desire to protest, and would in fact make no protest if the United States Government proceeded with their plans. His Majesty's Government perhaps attached less importance to the change than did the Government of the United States, but in any case it had come to their knowledge that another Power was carrying out similar alterations, and they therefore withdrew any objection which they had taken to the United States pursuing the same course.

The Ambassador thanked me and said that the decision would be most agreeable to his Government.

I am, &c.
AUSTEN CHAMBERLAIN.

[41 p—1]

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[A 6071/318/45] No. 1.

Mr. Chilton to Sir Austen Chamberlain.—(Received November 18.)

(No. 1751.)

Sir, *Washington, November 5, 1926.*

THE receipt of your telegram No. 223 of the 30th ultimo, instructing me to obtain the agreement of the United States Government to the appointment of a Canadian Minister in Washington, seems to mark the closing of a chapter in the history of this Embassy and the opening of a new era in the relations between Great Britain and the United States. It seems fitting, therefore, at this moment that I should furnish you with a brief résumé of my impressions of the feelings entertained towards Great Britain by the people of the United States at a time when the former country appears to stand upon the threshold of new imperial developments and relationships.

2. It is satisfactory to be able to declare that in general all classes of the community are kindlier disposed towards Britain than at any previous period, and in this connection it is not without significance that Assistant Secretary of War MacNyder recently told a member of my staff that even in the Irish districts of New York, once a hotbed of anti-British feeling, the type of poison distilled by Mr. Randolph Hearst has very little effect in stirring the passions of the multitude. In the middle and far west, where only a few years ago it was scarcely safe for British consulates to denote their existence by brass plates and where the display of a Union Jack would have been a direct incitement to popular tumult, conditions have improved almost beyond recognition. Nevertheless, here and there the old prejudices, nurtured by false historical teachings and fanned by ignorant and unscrupulous politicians, occasionally burst into flame if provided with the least vestige of an excuse. In Congress, too, men of the types of Senators Borah and Reed (Missouri) and Representatives Porter and Newton will continue to seize opportunities to loose their verbal artillery at all things British. Suspicion of the powerful foreigner seems to me to be largely the basis for the anti-British feeling that still persists. The average American is deplorably ignorant of all other nations, their problems or policies, and in dealing with international matters seems cursed with a sort of inferiority complex which renders him fearful of being outwitted by the supposedly more wily and unscrupulous European or Asiatic. He does not altogether trust the representatives or delegates sent abroad by his Government, and is consequently almost aggressively anxious to avoid what he describes as "entanglements."

3. During last summer the country suddenly became aware, as it were overnight, of the fact that their war debt repayment policy had made Americans exceedingly unpopular in the Old World. While the stoning of American tourists in France occasioned mere resentment, the publication in certain British newspapers of anti-American editorials accusing the United States of "Shylockism" deeply wounded the feelings of a vast number of people, who, having been far removed from the actual scene of conflict, have no glimmering of understanding of the feelings engendered in Europe by the sacrifice of life in the war, and persist in regarding the financial advances made by this Government as purely commercial transactions. Feverish attempts were at once made by part of the press and by certain officials in Washington to show that the British public had been misled by Mr. Winston Churchill (whose speeches and statements were in the main either incorrectly reported or erroneously head-lined), with the result that the Chancellor of the Exchequer for a time enjoyed extreme unpopularity, and even now is not regarded with too kindly eyes. For a time there seemed to be a tendency to forget that the British debt, the origin of which is now lost in the obscurity of the past and which many people seem to think was due to the extravagant desire of the Wilson Administration to pull other countries' chestnuts out of the fire at the expense of the American taxpayer, is being repaid.

4. But I am not sure that the agitation of last summer did not do good. It undoubtedly caused a mood of introspection and a desire on the part of many people to enquire closely into the debt situation. But it will take time for the public to rid themselves of their entirely honest conviction that Great Britain especially gained enormous territorial acquisitions through the war, as well as commercial advantages.

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"Why should we pay for the war," enquires John Citizen, "when it wasn't our war anyway?" The feeling that Europe came to blows because of ancient animosities, the despotism of Kings, and to crush dangerous trade rivals, while the United States drew the sword in a disinterested attempt to make the world safe for democracy, dies hard, and while it has any life left the politicians will pay homage to it.

5. Turning to more material questions, I fear there is a widely held impression that however progressive and virile the Dominions may be, Britain herself is in a sorry state. At the end of the general strike British prestige stood higher probably than at any time since the 11th November, 1918; during the last six months it seems to have declined considerably. The effect of the interminable coal dispute upon the British trade returns has been published broadcast, while reports of suffering in the coal-producing areas, of the increase in unemployment, and of the low standards of living prevalent among British industrial workers, are contrasted unfavourably with the unexampled prosperity of this country. Dean Inge contributed to thicken the cloud of gloom which, in American eyes, now enshrouds the future of Britain. Sensational forebodings such as his are invariably published under scare head-lines throughout the length and breadth of the country. It is feared that commercially we are in a bad way and that British industrial management is out of date, inefficient and vitiated by class feeling. Mr. Michael Dewar, a member of the Mackenzie Industrial Mission and managing director of the Metropolitan Carriage and Wagon Company (Limited), did nothing to efface this impression when he jokingly informed a number of local business men, including the vice-president of the United States Chamber of Commerce, that his company made a point of "cooking" their accounts so as to confuse labour. This quaint example of self-derogatory British humour was taken seriously by his listeners, one of whom later informed one of my secretaries that he and his companions had been shocked at Mr. Dewar's "frankness."

6. The Imperial Conference is exciting considerable interest. At first there was a tendency to expect open defiance on the part of South Africa and, to a somewhat lesser extent, Ireland, and even Canada. Now this has developed into a feeling that there will be no unpleasantness and that when the conference breaks up the commonwealth of nations will remain on as sound, if not a sounder, basis than before. I feel that Mr. Mackenzie King's emphatic denial of the existence in Canada of any desire for amalgamation with the United States was a most salutary pronouncement.

7. With all the forebodings one hears expressed over the future of Britain and the Empire, I am confident that, beneath it all, the majority of Americans entertain deep confidence in the basic soundness of British institutions, finance and commerce and a respect for the British people. The constant industrial unrest of the last few years, the whole dreary round of strikes, unemployment and the rest, may have shaken, perhaps, but have not undermined their faith. And I believe that if only the present upheaval in the coalfields can be followed by a period of industrial peace, reconstruction and development, the voices of those whose wish for the disintegration of the British Commonwealth is now father to the thought will soon become inaudible.

I have, &c.

H. G. CHILTON.

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[A 635/24/45] No. 1.

Sir Austen Chamberlain to Sir E. Howard (Washington).

(No. 132.)

Sir, *Foreign Office, January* 31, 1927.

THE American Ambassador called upon me this afternoon on his return from leave.

In the course of conversation he observed that as regards China there appeared to be a close similarity between the position of the United States and British Governments. He had been in close touch with the authorities in Washington, and he had not detected any signs of serious difference between us. He asked me whether there were any other questions outstanding about which I desired to speak, and I replied that there was only one.

I was, I must confess, concerned at the delay in the signature of the claims agreement. Our Parliament would meet next week; presently Congress would meet also, and I could not but be anxious lest, if the matter still remained undetermined, there should be questions in the one assembly or the other which would transfer the issue from the calm atmosphere in which our representatives had discussed it in Washington to the higher temperature of parliamentary assemblies. As he well knew, the purpose of both Governments had been to settle the question before it became a matter of public dispute, and I should be grateful if he would represent to his Government that it was urgent that the agreement should be signed before any discussion arose upon these matters either in Parliament or in Congress.

Mr. Houghton replied that he had understood that everything was ready for signature before he left Washington, and he would certainly at once urge the formal completion of the agreement.

I am, &c.
AUSTEN CHAMBERLAIN.

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EXTRACT FROM SIR A. CHAMBERLAIN'S FOREIGN AFFAIRS STATEMENT, IMPERIAL CONFERENCE 1926, (OCTOBER).

UNITED STATES OF AMERICA.

The maintenance of good relations with the United States is and always must be a cardinal aim of British policy, and on the whole it may be said that Great Britain has never been so generally popular with the American people as it is to-day. This was certainly the case up to a few months ago. Since then there have been certain events such as the rubber controversy and the various exchanges over the debt policy of the United States which have tended to check this wholesome development. A number of uncomplimentary epithets have been bandied about in connection with these two subjects, but it may be taken as a proof of the better feelings in the United States towards this country that the general friendliness of public opinion there seems not to have been impaired to any appreciable extent. It is regrettable, though not surprising, that in this country on the other hand feeling towards the United States is less friendly than at any time since the American civil war. They are even less popular on the continent. It is felt that after being largely responsible for the form which the peace settlement took, they have left Europe unaided to face difficulties for which American policy was largely responsible. Their habit of lecturing other nations and proffering advice where a little practical help might have been expected does nothing to allay irritation. At the same time there is the fear of American financial domination which M. Clemenceau recently expressed when he declared that France was not for sale. The huge investments of American capital in European concerns -,according to a statement which I saw recently, American interests in Germany already amount to 35 per cent of the total - are a matter which gives rise to much thought. It is difficult to see how the nations of Europe can continue to pay to the United States the tribute which they seek to exact without borrowing the money for this purpose in New York and thus fall deeper and deeper into the coils. It is, I think, probably that in a not distant future the whole position will have to be revised, but until France has ratified her debt settlements, no material change is to be expected in American opinion.

The settlement of our own debt was made by the present Prime Minister when Chancellor of the Exchequer. Together with the settlement of the Irish question, it has done more than anything else to produce the improvement in the feeling of the United States towards the country. There is, however, still one question which is causing me some anxiety. Last year we received information that the United States Government were contemplating the presentation of claims calling in question the basic principles of the British blockade policy and involving the possible payment by His Majesty's Government of large sums for losses suffered by United States citizens as the result of measures adopted by this country for the enforcement of the blockade of enemy Powers. We resolved that everything possible should be done to prevent the presentation of the claims, which it was impossible for us to entertain as they would directly challenge those belligerent rights on which the

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power and safety of the British Empire rest in times of war. A personal appeal was therefore made to the United States Secretary of State and to the President himself. The line we took was that a demand for settlement of such claims would give rise in this country to so deep a feeling of resentment that relations between the two countries would be seriously affected for many years to come. British public opinion would not forget that the very measures from which the claim arose had redounded to the advantage of the United States when they eventually entered the war and by shortening the struggle had saved them much suffering, great loss of life and vast sums of money. Further, it was common knowledge here than on the entry of the United States into the war their officials had sat on all our blockade committees and had helped to make the blockade more drastic than before. They had thus become parties to the very measures of which they complained, and if their navy had not actually taken part in the seizures and detentions of neutral vessels and cargoes, this was due to the form assumed by the blockade in its later stages.

The President and Mr. Kellogg were on the whole friendly and disclaimed any intention of doing anything to endanger our relations, but it was not possible to obtain any explicit statement that these claims would not be presented. Senator Borah was in the wings and made incursions on to the stage to the embarrassment of Mr. Kellogg, who he frightened into adopting at his prompting lines which were not apparently in his original intention. A resolution by Mr. Borah was passed by the Senate, in which the Secretary of State was asked to say what steps he was taking to negotiate claims and conventions with Great Britain and France for the arbitration and settlement of claims arising out of violations of the rights of neutrals during the period of American neutrality.

We intimated that we could not consider the submission of such claims to arbitration, and at times it looked as if Mr. Kellogg were ready to acquiesce. But Mr. Borah maintained his pressure and it seemed evident that arbitration in some form, either by a special claims convention or under the procedure laid down in the Arbitration Convention of 1908 was the ultimate aim of the United States Government.

There are some 3,500 so-called claims on file at the State Department against actions by His Majesty's Government under the blockade. In many cases they are not, properly speaking, claims at all, and the question of the final disposal of many others is in doubt. There is doubt, too, as to the nature of the questions involved by a large number of the complaints. They have therefore been examined in the State Department by Mr. Phenix, an official of that Department, in conjunction with Mr. Broderick, the commercial counsellor of His Majesty's Embassy, with the object of dividing the claims into categories and gaining information as to how many call in question the legality of the blockade. On the 1st September last Mr. Phenix and Mr. Broderick arrived in this country and are now pursuing their enquiries. Steps have been taken to ensure that Mr. Phenix should not be able to say that he is ignorant of the attitude of His Majesty's Government towards the arbitration, or even the consideration, of claims raising the question of the legalityof the blockade.

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Care is being taken to avoid publicity being given to this whole matter, but in case undue publicity beyond that which it has already received in the United States should result from Mr. Borah's or any other persons' activities, we have decided on the line which we shall take if a statement has to be given out for publication. It would be to the effect that His Majesty's Government will not consider arbitration for the following reasons:-

(i.) The United States of America entered the war against Germany; she profited by the results of all measures of which she now complains; joined in enforcing them; took part in the blockade work and helped to tighten up the blockade measures already in force.

(ii.) These measures were founded on American practice and decisions of the Supreme Court of the United States of America adapted to modern conditions as the Supreme Court adapted the doctrines of the Napoleonic wars to the circumstances and needs of their civil war.

(iii.) His Majesty's Government consider the validity of the measures which they, in common with their Allies, adopted during the war to maintain the blockade of Germany to be a vital issue within the meaning of article 1 of our Arbitration Treaty with the United States of April 1908. The United States Government themselves exclude the vital interests of their country from arbitration, and past experience has shown that they would not permit to go to arbitration any case which might call in question the validity of the Monroe doctrine. Our belligerent rights at sea are for us a vital interest - a matter of life and death - and may be regarded as the British equivalent of the Monroe doctrine.

I have dwelt on this matter at some length because we cannot possibly give way, and if the United States are obdurate, serious friction and trouble may result. I sincerely hope this will not happen. The presentation of these claims would really be an outrage when it is remembered that the United States proposed, originated and carried out in co-operation with this country, a much more drastic operation against the passage of neutral goods, say from Spain or the Argentine to Germany and Scandinavia, than anything that we attempted before they came into the war, viz., the laying of the greater part of the northern mine barrage right acros the North Sea, which meant that any vessel attempting to reach the Scandinavian coast would be blown up without the chance of visit, search or detention.

I am glad to be able to say that, judging from recent indicati the United States Government now appear to be disinclined to raise the blockade issue, and there is reason to hope that they may eventually be satisfied with the settlement of a certain number of claims which they consider to be especially "meritorious", and which do not call in question the principle of the blockade. In such final settlement account must of course be taken of those British claims against the United States Government, which, in our opinion, merit greater consideration than they have so far received at American hands.

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The President and Mr. Kellogg were on the whole friendly and disclaimed any intention of doing anything to endanger our relations, but it was not possible to obtain any explicit statement that these claims would not be presented. Senator Borah was in the wings and made incursions on to the stage to the embarrassment of Mr. Kellogg, who he frightened into adopting at his prompting lines which were not apparently in his original intention. A resolution by Mr. Borah was passed by the Senate, in which the Secretary of State was asked to say what steps he was taking to negotiate claims and conventions with Great Britain and France for the arbitration and settlement of claims arising out of violations of the rights of neutrals during the period of American neutrality.

We intimated that we could not consider the submission of such claims to arbitration, and at times it looked as if Mr. Kellogg were ready to acquiesce. But Mr. Borah maintained his pressure and it seemed evident that arbitration in some form, either by a special claims convention or under the procedure laid down in the Arbitration Convention of 1908 was the ultimate aim of the United States Government.

There are some 3,500 so-called claims on file at the State Department against actions by His Majesty's Government under the blockade. In many cases they are not, properly speaking, claims at all, and the question of the final disposal of many others is in doubt. There is doubt, too, as to the nature of the questions involved by a large number of the complaints. They have therefore been examined in the State Department by Mr. Phenix, an official of that Department, in conjunction with Mr. Broderick, the commercial counsellor of His Majesty's Embassy, with the object of dividing the claims into categories and gaining information as to how many call in question the legality of the blockade. On the 1st September last Mr. Phenix and Mr. Broderick arrived in this country and are now pursuing their enquiries. Steps have been taken to ensure that Mr. Phenix should not be able to say that he is ignorant of the attitude of His Majesty's Government towards the arbitration, or even the consideration, of claims raising the question of the legality of the blockade.

Care/

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Care is being taken to avoid publicity being given to this whole matter, but in case undue publicity beyond that which it has already received in the United States should result from Mr. Borah's or any other persons' activities, we have decided on the line which we shall take if a statement has to be given out for publication. It would be to the effect that His Majesty's Government will not consider arbitration for the following reasons:-

(i.) The United States of America entered the war against Germany; she profited by the results of all measures of which she now complains; joined in enforcing them; took part in the blockade work and helped to tighten up the blockade measures already in force.

(ii.) These measures were founded on American practice and decisions of the Supreme Court of the United States of America adapted to modern conditions as the Supreme Court adapted the doctrines of the Napoleonic wars to the circumstances and needs of their civil war.

(iii.) His Majesty's Government consider the validity of the measures which they, in common with their Allies, adopted during the war to maintain the blockade of Germany to be a vital issue within the meaning of article 1 of our Arbitration Treaty with the United States of April 1908. The United States Government themselves exclude the vital interests of their country from arbitration, and past experience has shown that they would not permit to go to arbitration any case which might call in question the validity of the Monroe doctrine. Our belligerent rights at sea are for us a vital interest - a matter of life and death - and may be regarded as the British equivalent of the Monroe doctrine.

I have dwelt on this matter at some length because we cannot possibly give way, and if the United States are obdurate, serious friction and trouble may result. I sincerely hope this will not happen. The presentation of these claims would really be an outrage when it is remembered that the United States proposed, originated and carried out in co-operation with this country, a much more drastic operation against the passage of neutral goods, say from Spain or the Argentine to Germany and Scandinavia, than anything that we attempted before they came into the war, viz., the laying of the greater part of the northern mine barrage right across the North Sea, which meant that any vessel attempting to reach the Scandinavian coast would be blown up without the chance of visit, search or detention.

I am glad to be able to say that, judging from recent indications, the United States Government now appear to be disinclined to raise the blockade issue, and there is reason to hope that they may eventually be satisfied with the settlement of a certain number of claims which they consider to be especially "meritorious", and which do not call in question the principle of the blockade. In such final settlement account must of course be taken of those British claims against the United States Government, which, in our opinion, met itgreater consideration than they have sofar received at American hands.

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U. S. A.

British policy towards the U.S.A. is that of preserving the closest friendship with that country, and of maintaining co-operation with it in the general conduct of British foreign relations. The opinion of the Foreign Office is that agreement between France and Great Britain would ensure peace in Europe and that complete understanding between Great Britain and U.S.A. would ensure the peace of the world. The Foreign Office would even be inclined to go to the extent of choosing the United States in preference to the League of Nations if it were placed in the necessity of choosing between them.

2. Co-operation with the United States is, however, not always easy to secure. The United States has its own special way of approaching foreign relations, and in its newly gained position as a great world Power it often brings to the solution of foreign problems the attitude which it has become accustomed to adopt in respect to purely domestic and American problems. To this must be added the fact that the control exercised by the Senate over U.S.A. foreign relations does not make for smooth working. This control has very often resulted in purely party issues being made the governing factors in questions of foreign policy.

3. The British Government has given very great aid to the United States Government in many ways recently in the latter's attempts to enforce the prohibition law. Under the Liquor Treaty between the two countries, the United States Government has been given the right of searching British vessels on the high seas within one hour's sailing from the coast. The British Government has in this respect made a very great concession to the principle which it has always maintained of the freedom of the seas beyond the three miles limit. The British authorities in the West Indies are co-operating in various ways with the United States Government in the latter's attempts to stop rum running.

4. Great Britain has come in for a great deal of criticism from the United States recently as a result of the campaign launched by Mr. Hoover against the Stevenson Rubber Restriction Scheme in the Malay States. The price of rubber recently rose appreciably, and American users became somewhat panic-stricken. Press articles still continue to appear in the American press denouncing the British so-called rubber monopoly as "brazen British profiteering".

5. Conversations have since the end of last year been proceeding between the United States and British Governments concerning claims which American nationals have lodged against Great Britain arising out of the blockade measures taken by the latter during the War before America became a belligerent. The British Government regard it as deplorable that the United States should open this question and seek compensation for measures which America itself found it necessary to take when it subsequently entered the War.

6. Towards the end of 1924 a controversy arose between the British and the United States Governments with respect to the distribution of the German reparations annuities. The British Government proposed that the controversy should be submitted to

/arbitration

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arbitration, but the United States declined to consent to this course. The American claim was subsequently conceded by the British Government.

7. In respect to Pacific matters, Sir William Tyrrel is of the opinion that the United States is pledged to isolation concerning them just as much as it is in regard to European matters, by reason of the complete absence of American interest in anything outside of the American continent.

8. Whilst maintaining complete aloofness from the League of Nations, the United States participated this year in the preliminary Conference on the Reduction of Armaments organised by the League. Despite the fact that the United States has acceded with qualifications to the Protocol establishing the Permanent Court of International Justice, there is no indication that it is desirous in any way of becoming associated with the League.

9. There are no outstanding questions between the British Empire and the United States except in respect to the matters referred to above relating to rubber and blockade claims. These, however, have not yet, strictly speaking, reached the stage of "questions" between the two countries.

30th August, 1926.

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M.106/1/56

COMMONWEALTH OF AUSTRALIA.
Dominions No. 370

DOWNING STREET.
14 August, 1926.

My Lord,

I have the honour to transmit to Your Excellency, for the information of your Ministers, copies of the House of Commons Official Report of the 4th August containing a debate on Anglo-American relations (Columns 3083-3091).

I have the honour to be,

My Lord,

Your Lordship's most obedient,

humble servant,

J S Amery

GOVERNOR GENERAL,
HIS EXCELLENCY,
THE RIGHT HONOURABLE,
LORD STONEHAVEN, P.C., G.C.M.G., D.S.O.,
&c., &c., &c.

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[Sir A. Steel-Maitland.]

nised the fact that because of the general strike the Fund has been getting into deficit at the rate of £26,000,000 a year. Far from it being kept actuarily sound in the way suggested, the debt has been added to and is being added to. Besides being told that of set policy I am cutting off people and throwing them on the rates, it is said that I do not consider I have any responsibility in getting work for the men. I am probably more anxious than any Member of this House that unemployment should decrease. I recall the fact that before the general strike unemployment had been going down steadily, that by the end of April last it had reached the lowest figure for five years, and that it then increased at once by 60 per cent.—by 600,000 people, because of the general strike—and then stayed at that level throughout the dispute. I hope that the hon. Member will represent to his friends in Glasgow and elsewhere that, so far as there has been an excess of unemployment, all those who are suffering from it can thank those who were responsible for the general strike.

ANGLO-AMERICAN RELATIONS.

Captain BENN: If I might turn the attention of the House for a moment from the subject of unemployment, I would like to raise the question of Anglo-American relations. We had a Debate recently about debt settlements, and although nothing, or very little, was said in that Debate to which exception could be taken, the Debate was accompanied outside, in the Press and elsewhere, by the sort of comments which, I think, had the most unfortunate result as touching the relations between ourselves and the United States. I will leave out of account the sort of vulgar talk that one finds in the "Daily Mail" of this country. I hope that in the United States they understand what value to attach to that kind of thing. But it was unfortunate that our own Chancellor of the Exchequer, in defiance of filial piety, was drawn into a controversy, first with Mr. Mellon, of the United States Treasury, and, secondly, into a rather undignified challenge to Senator Borah, on the subject of our financial relations with America. As far as many people are concerned, and I hope I may say as far as the majority in this country are concerned, they do not want to see themselves put into the position of some of the European debtors of the United States.

When the present Prime Minister went to America to settle our debt, he did a thing which was characteristic of him. There was a debt, we had promised to pay the debt, and he arranged to pay the debt. It was not done because we wanted any favour in return, or because we wanted to attract American tourists or loans to this country. It was done because the spirit of this country found a very suitable mouthpiece in the Prime Minister, who in a straightforward and businesslike way said, "We owe the money; we are neither extravagant nor dishonest and we intend to pay." That attitude, I believe, commanded the respect and the assent of most people in this country. We got, of course, as every honest debtor gets, a material reward in the form of a very strong credit position and a stronger exchange and a higher commercial position in the world. But it was the sense of contract which made us want to settle, and the motive which actuated us did not go without recognition in America. President Coolidge said, "This is an example of the highest standard of international honour." It may be that in years to come it will be found impossible for the various countries to receive these vast sums which are owing to them. It may be economically impossible. But I do not believe that the mass of the people of this country ever wish to go to the United States and to ask to be let off. If greater forces intervene that is another matter.

The whole beneficent trend of economic forces was interrupted by the sort of comment to which I have referred, and to some extent by the tone of the Debate. I have here a quotation from the "Baltimore Sun," as quoted in the "Times." I think it worthily represents the opinion overseas.

> "America is increasingly conscious of the disparity between her wealth and Europe's distress, and the moral implication thereof. Europe would be wise not to divert that train of thought."

That is a very wise comment, and wise advice to us in discussing these matters. In the course of the last comparatively few years, many possible causes of misunderstanding with the United States

have been removed, in every case by
united action of all parties. There
I believe, some misunderstanding of
relations with Japan when the
Japanese Alliance was in existence.
disappeared after the Washington
vention. The Irish question was
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The FINANCIAL SECRETARY TREASURY (Mr. Ronald Mc
indicated dissent.

Captain BENN: Whatever occ
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have been removed, in every case by the united action of all parties. There was, I believe, some misunderstanding of our relations with Japan when the Anglo-Japanese Alliance was in existence. That disappeared after the Washington Convention. The Irish question was undoubtedly a source of very grave misunderstanding between this country and the United States. The Irish question, which was settled by the Irish Treaty, was the act of all parties, because the party opposite is equally committed with the Home Rule party on this side to the Treaty of 1922. Then there was the liquor question. Whereas the negotiations touching the smuggling of liquor were initiated under the Conservative Government of 1923, I believe they actually came to fruition in the form of a Treaty under the Labour Government of 1924.

The FINANCIAL SECRETARY to the TREASURY (Mr. Ronald McNeill) *indicated dissent.*

Captain BENN: Whatever occasional supplementary questions may seem to suggest in this connection, I am certain that there is no body of opinion in this country which wishes this country directly or indirectly to be associated with the scandalous attempt on the part of certain traders to evade the laws of the United States. We often refer to the spirit of the Allies in the time of the War, and I think that that spirit was as strong, if not stronger, between ourselves and the American nation, as between ourselves and our European Allies. The United States intervened at a very critical moment in the War, and since the War she has spent liberally both in money and in effort, in assistance to European distress. Those who knew the European Capitals after the War could not be unconscious of the vast sums of money which the United States spent, by loan or by grant, in order to relieve distress. Then, again, at the Washington Convention, which was summoned by the United States, the solution of one of the most pressing problems of the world, that of disarmament, received an impetus. The whole of the settlement in the Ruhr, the solution of a very difficult and angry position, can be traced to a speech made by Mr. Secretary Hughes in 1922, on which the preliminary negotiations were based, leading up to what is known as the Dawes scheme.

Many people in this country desire to see this country and the United States marching step by step in the relief of the needs of the world. The United States has not been backwards in her willingness to assist. She has ratified the Convention relating to the World Court, she has indicated her intention either to summon a disarmament conference or to attend the Conference which will be held under the auspices of the League of Nations. Speaking for myself, I sympathise with the point of view of those American statesmen who, in their minds, associate the idea of debt with the idea of disarmament. When Mr. Coolidge and Mr. Hughes speak about their unwillingness that the financial resources of the United States should be put at the disposal of people who wish to spend the money on armaments, they are pursuing a policy which makes a great appeal to anyone who wishes to see the disarmament of Europe. Both in sea power and in credit, Great Britain and
3.0 P.M. the United States are the two greatest powers in the world. I sincerely trust that their policies may always be framed in that spirit of friendship which will unite with a high ideal these two great nations in attempting to solve some of the difficulties which lie before a distressed world.

Lieut.-Commander KENWORTHY: The House is indebted to my hon. and gallant Friend the Member for Leith (Captain Benn) for raising this question, just as it was indebted to him for his speech a few days ago in which he opened up the much bigger question of Inter-Allied Debts generally. I only wish that his tone in that speech had been followed by subsequent speakers, as the newspapers across the Atlantic bear only too eloquent testimony to some of the sinister remarks made in that Debate which were taken without very much seriousness by this House, but were taken hold of by our ill-wishers, of which we have many, and magnified out of all importance. I think I was the first Member of this House to initiate a Debate in this House on the settlement made by the present Prime Minister with the United States, and I then said, and I say it now, and I am only reinforced in my view by subsequent events, that no other settlement could be made and that it was a good settlement from

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COPY. LL.

United States

2, WHITEHALL GARDENS, LONDON, S.W.1.

12th November, 1925.
(Due to arrive Melbourne - 12.12.25)

LON. 170.

Dear Sir,

ANGLO-AMERICAN CO-OPERATION.

It is quite remarkable the lack of knowledge or sympathy with America that one meets in this country. I count myself fortunate in having spent a couple of years in America, which has given me an appreciation and at least some understanding of the people and the country. Very few people here appear to have been to America and my impression is that fewer still have any liking for Americans or any faith in them. One hears many active expressions of dislike and much narrow criticism, and very infrequently even the most minor appreciation and that grudgingly given.

I know well that a good many of their personal habits are unusual to us and sometimes offensive, and that opinions are apt to crystallise from these slender grounds. But I personally can shut my eyes to all that in view of their remarkable qualities of initiative, energy and capacity for sustained effort It is open to question whether their ideals are good or bad. I am conscious of a quality of freshness and inspiration in America that makes it stand out distinct from other countries that I know.

And even if this were not so, it is so clearly to our book to be on the best of terms with them and to have them on our side, that this carping and ignorant criticism that is indulged in seems to me particularly ill-advised and shortsighted. Surely we want friends and surely there are few countries in the world with whom we have more in common - or rather, with whom we have less chance of being in discord - than the United States.

I have kept you informed from time to time of the comments on the supposed leanings of Australia and of Canada towards the United States and away from the Empire. Where this is inspired from, I do not know. It probably has some point as regards Canada, but I feel sure that it has less than none with regard to Australia.

I sent a draft of the above few paragraphs to Sir William Tyrrell, as an introduction to a conversation on this subject that I had with him yesterday. The remainder of this letter is a record of this conversation.

Tyrrell opened the conversation by saying that it was his strong personal opinion that the most important matter to be borne in mind in conducting the foreign relations of this country was that of working in close co-operation with the United States.

The Rt. Hon. S. M. Bruce, M.P.,
MELBOURNE.

He/

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He thinks that the United States and the British Empire are able to exert a more effective world police control than any combination or any organisation in the world today. Agreement between France and H.M.G. ensures the peace of Europe, but understanding between H.M.G. and the U.S. would ensure the peace of the world. In his opinion, if it came to a question as between Angle-American friendship and the League of Nations, he would say "Let the League of Nations go".

He repeated what he had said to me once before, that our commitments in Europe must be looked on from the point of view of our friendly relations with America. The greatest world guarantee for peace is a proper understanding with America.

This co-operation had not been easy in the past and it will need great patience to maintain it in the future. He said that the many defects of the American constitution made it almost impossible for America to have a foreign policy at all. Added to this lack of possibility of any strong and definite line being taken to co-operate with us, there had been a succession of incidents that had made matters increasingly difficult. The first was the repudiation by Congress of the President's signature at Versailles. Then had come the iniquitous, but of course, successful attempt on the part of America to share in the Dawes receipts. And now this last, and he considered shocking, suggestion that America should present claims to us arising out of the blockade prior to America entering the war.

Tyrrell admitted that these incidents, which amounted to rebuffs to this country, had made them pause in their efforts to maintain the best of relations with the States and to co-operate with them throughout the world. However, he said that he could stomach even these mistakes and he would repeat now, even in the light of all this, that, in his opinion, the spear-point of our policy should be the most intimate co-operation with America.

The settlement by Great Britain of her debt to America had been a well considered gesture on the part of this country as part of a genuine effort to improve Anglo-American relations. At that time this country had three alternatives before her: (1) Repudiation; (2) a statement that we would settle with America when our allies had settled with us; and (3) straight-out payment of our debts on a reasonable basis without any conditions. He was particularly glad to remember that we had chosen this last alternative.

America's assistance with the Locarno Pact had been considerable as she had in effect said to Germany: "No Pact, no credits". It was on account of this very timely and weighty warning amongst other things that he (Tyrrell) had not many fears about securing Germany's signature to the Locarno Pact.

His comments on the notes that I had put down on which to start this conversation were that I had stressed too much the point that people in Great Britain were not ready and willing to do their part in co-operation with America. He thought that the people at the head of affairs at any rate in this country were doing all they possibly could, but that it took two parties to co-operate and, in his opinion, it was that the American effort in this direction that was not energetic enough.

As/

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As regards the British Dominions, it was his impression that Australian prestige in the United States stood higher than Canadian. This, he thought, was due to the fact that the Canadians were at their door and a little in the nature of a poor relation, whereas Australia was far distant, with something of the mystery surrounding a remote, young, and rather isolated State, added to the fact of our common attitude towards Japanese migration. Also, and this was not to be put lightly aside, the Americans came to have a great regard for the Australians during the war.

He quoted a personal conversation with the late Senator Lodge at this point, in the course of which the latter said that he thought it would be a great mistake to have a Canadian Minister at Washington as an entity distinct from the British Embassy. He quoted Lodge as saying that if the Canadians ever attempted to negotiate with the States on a major question through their own representative at Washington acting independently of the British Embassy, he would not carry much weight.

He hoped that it might be possible for the Australian Prime Minister to help the position taken up by H.M.G. with regard to America whenever opportunity offered. He thought that this could best be done by references to the solidarity of the British Commonwealth and the fact that the Empire as a whole looked to America with esteem and a hearty desire for co-operation with them. The theme was rather a hackneyed one, but you could no doubt give it new form and point from time to time. He also suggested that it might be possible for the Australian Prime Minister to write to Mr. Coolidge a personal letter, saying that the record of correspondence and conversations on the subject of America's considering submitting claims arising out of our blockade before America entered the war had come to his notice in the ordinary course of being informed on British foreign policy, and that he (the Australian Prime Minister) hoped above all things that this matter would not be pressed as it struck at the roots of our policy regarding maritime rights, and that it was a matter on which every part of the Empire would stand firm with Great Britain.

This subject appears to me to be such an important one that I have ventured to record to you the above conversation in some detail.

I am,
Yours very truly,

(Intld.) R.G.C.

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Lon 49

Evening Standard.

Tuesday, March 24, 1925. THE EVENING

Uncle Sam's Fleet.

From a Naval Correspondent.

THE greatest naval manœuvres ever carried out by any Navy and spreading over nearly half the world are being carried out between now and October continuously by the United States Navy.

Admiral Robert E. Coontz, who is in supreme command of the operations, has sixty-one warships of all classes under his control. Only submarines are not being taken on the 15,000 mile trek which will be covered before the ships reach their home ports again in the autumn.

The vessels engaged in the operations include:

Battleships	12	Oiltankers	5
Cruisers	4	Hospital Ship	1
Destroyers	34	Repair Ship	1
Minelayers	2	Store Ships	2

The fleet is therefore absolutely self-contained, except for a floating dock. It carries its own fuel, its own stores, and all ordinary repair work can be carried out without dependence on any shore base.

The Scheme.

Any fleet working a long way from its own ports in time of hostilities would have to depend on auxiliary ships for assistance with repairs. The American fleet during these seven months is gaining experience in long-distance oversea operations.

The main centre of the manœuvres will be the Hawaiian area, and the basic idea of the scheme is, "How can the American Navy best defend this area against attack by a hostile force?" Hawaii is the principal American naval base in the Pacific, but under the terms of the Washington Treaty nothing may be done to make it more formidable than it was when the Treaty was drafted. Its defence in future will have to be a floating one, and this problem is the one to the solution of which Admiral Coontz and his staff are devoting their attention.

There is a further stage in the cruise, however, which has an especial interest for this country. During July and August the entire American fleet from Hawaii will visit the principal ports of Australia and New Zealand.

No such fleet has ever been seen in Australasian waters before. The British Navy has never been able to visit its cousins in such strength, and the citizens of Melbourne, Sydney, Wellington and Auckland will have a new appreciation of sea power.

The American Fleet will leave Hawaii on July 1 and will cover the 4400 miles by July 18, when the first detachment is due at Sydney. The other section will reach Melbourne two days later.

The visit has roused the greatest indignation in Japan. The whole scheme of the seven months' operations, in fact, has caused an outburst of feeling unlike anything known in international relations. The opposition has even gone so far as to organise meetings of protest against the manœuvres and to pass resolutions calling on the American Government to abandon the whole scheme, "out of due regard to international morality and the cause of world peace." Even at the most bitter stage of Anglo-German naval rivalry no such action was taken publicly in either country.

The opposition is not due to any sense of slight in Japan because the American fleet is not paying a visit there. In point of fact, pourparlers were opened between Washington and Tokio for such a visit during the cruise, but the Japanese Government, semi-officially, intimated that it would probably be less provocative to militaristic elements in Japan if the American fleet did not appear in Japanese waters.

A Strange Outcry.

The outcry against the manœuvres by the Japanese "militaristic elements" is the more extraordinary because there has never been any suggestion that the operations would touch on Japanese waters. Hawaii is actually 3400 miles from Yokohama, and even if the American fleet goes further and carries out operations around its other naval *point d'appui*, Guam, it will still be 1350 miles from the main Japanese port. That is to say, it will be more than four times as far away from Japanese waters as the German fleet used to be from British waters when it carried out manœuvres off the Norwegian coast.

One grotesque feature of the outcry has been the statement that the object of the visit to Australia and New Zealand is to enable the American fleet to carry out joint manœuvres with the Royal Australian Navy and the New Zealand Squadron. Nothing of the sort, of course, has been arranged. The only part the Dominion naval forces will play in the visit is that of hosts, and their manœuvres will be confined to the banqueting hall and the ballroom.

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[This Document is the Property of His Britannic Majesty's Government.]

[A 1890/24/45] No. 1.

Sir A. Geddes to the Marquess Curzon of Kedleston.—(*Received March 28.*)

(No. 325.)

My Lord, *Washington, March 17, 1923.*

WITH reference to your Lordship's telegram No. 81 of the 27th February and to my telegram No. 142 of the 15th March, I have the honour to report that I had an interview with the Secretary of State on the 15th instant and handed him a memorandum on the subject of the alleged increase of elevation in the turret guns of His Majesty's ships.

The Secretary of State commenced by saying he had been anxious to continue the discussion of this subject, and wished to make it quite clear from the start that he had based his statements on information he had received from the United States Navy Department, from whom he had called for the necessary material before making his speech of the 29th December.

Mr. Hughes then proceeded to take up Mr. Denby's letter (referred to in the attached memorandum). He stated that he had been informed that all British ships, with the exception of "Hood," had had their gun elevation increased, and as a consequence, alterations had been made in their loading arrangements; that ships had recently been fitted with deck armour and that one ship only, "Renown," remained to have blisters fitted.

Mr. Hughes said he wished to prove that there was no conspiracy here in Washington to misrepresent our position to the United States Congress and the American people. He affirmed that the United States Navy Department was honestly convinced that the foregoing statements were founded on facts. Their opinion had been based on :—

1. Information in "Jane's Fighting Ships."
2. Information in "The Naval and Military Record."
3. A series of reports from the United States Embassy in London.

Mr. Hughes then turned to these reports and very rapidly read extracts from them. I had no time to take notes. The reports as I remember them were as follows :—

(*a.*) *A long report*, dated the 6th December, 1922, containing—

(i.) A definite statement that the United States naval attaché in London had knowledge that the angle of elevation of turret guns of all ships, except "Hood," had been increased; that of the latter was 45°, and that of the remainder so modified that one or two had 33½°, most had 35°. This had entailed change in the loading arrangements.

(ii.) A statement saying that changes had been made in magazine arrangements and for dealing with fire.

(iii.) A statement that ships had been completely overhauled and new pumps for "clearing debris" fitted.

(iv.) A statement that new fire control arrangements had been fitted throughout the fleet, new rangefinders, and a complete new system of spotting adopted.

(v.) A statement that the rule in the Battle Fleet was to open fire in battle practice at 30,000 yards.

(*b.*) *A short report* (mid-December, no actual date given). This confirmed the previous report that angle of elevation had been increased, but not uniformly.

The majority, including all "Queen Elizabeths," had 35° elevation: all "Royal Sovereigns" 33°.

(*c.*) Report dated the 3rd January, 1923, stated there was no doubt of accuracy of previous reports regarding all British turret guns, and also of reports that the work in respect of bulging and deck armour had been completed on all ships except "Renown." The naval estimates were referred to as evidence that the necessary money had been made available, but no definite amount was stated.

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(*d*.) Telegram from Embassy, London (date unknown, but after the 3rd January, 1923), again confirmed previous statements, probably in answer to a telegram from Washington.

(*e*.) Letter from Sir O. Murray to Captain Hussey (dated the 5th January, 1923).

(*f*.) Report of the 10th January, 1923, received the 19th January, 1923, enclosing copy of Sir O. Murray's letter of the 5th January, but adhering to the original statement and putting forward suggestion that work had been completed before the date referred to in Sir O. Murray's letter of the 5th January.

(*g*.) Letter from Sir O. Murray (date unknown) again stating there had been no change.

(*h*.) Letter from Rear-Admiral J. A. Hoogewerff, Commandant of Navy Yard, Puget Sound, stating that he knew these alterations had been carried out and that the British ships had only required to be in dockyard hands five weeks to make these changes in elevation and in ammunition hoists; that he did not see why American yards should take three months to do the same work.

Mr. Hughes then turned to the memorandum which I had handed to him and, while reading it through, asked me the question: "At what range do you fire?" As he continued reading I did not reply. He then admitted, after reading further, that in spite of the previous evidence before him, "his faith was shaken."

Mr. Hughes then said: "I now ask officially, will you inform me of the range at which your capital ships can fire?" I replied: "That, Mr. Secretary, is a technical question on which I have no information beyond that already given that our ships can fire at the same range as when they were first put in commission; there has been no increase made in the possible range of the guns since the ships came into service."

I further said: "American naval officers knew at the time they were serving in the 6th Battle Squadron of the Grand Fleet the exact capacity of every ship" and added that there must be in the archives of the Navy Department the information they required.

Mr. Hughes then proceeded to make statements of a general nature, amongst others: "American naval officers in the "Queen Elizabeth" at the Dardanelles had reported that the "Queen Elizabeth" was withdrawn from the Mediterranean in order to go back to the dockyard to have alterations made in the elevation of her guns." After this he returned to the question of the range at which our ships can fire.

I then said to Mr. Hughes: "Mr. Secretary, the range at which we fire is one question, but the fact that you have informed the public that Great Britain has increased the elevation of her turret guns is another question. It is the second with which I am concerned." In reply to which he said: "All our naval officers here thought you had increased the range." I again replied: "I have only one question to deal with. I have told you categorically there has been no change. The British Admiralty have already done so. You have been misled, and misapprehending the situation have publicly misstated the facts. I now ask you: "What are you going to do to correct the impression made in the mind of the public?"

Mr. Hughes did not answer, but came back again to the range at which British ships could fire. I again said: "Mr. Secretary, at some other time and possibly in some other place that point might be discussed. What I want to know is what steps are you going to take to correct this impression?" On receiving no satisfactory answer, I finally said: "I find myself obliged—in fact, seeing the position we are in, I feel I have a right—to demand from you an answer; what do you propose to do in the circumstances?"

Mr. Hughes replied that he must wait until Mr. Roosevelt (Assistant Secretary of the Navy) returned on Monday next.

I then said to him that surely without awaiting Mr. Roosevelt's return he could say that he had been misinformed and that the facts had not been correctly stated. He replied: "I want to make the Navy say they misled me."

Mr. Hughes then completed reading the memorandum I had handed him, and repeated he would take the matter up on Monday. He appeared very much perturbed over the whole affair. Whilst he was reading the latter portion of the memorandum I called his attention to the statements of naval officers on the active list of a nature calculated to sow distrust in the public mind as to the nature of the naval preparations being undertaken by his Majesty's Government (see my despatch No. 298 of the

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9th March). He proceeded to make a long explanation of how difficult it was to control United States naval officers and to prevent them from taking part in politics. I remarked that I was surprised at him allowing propaganda by a number of subordinates against a treaty of which he was the originator.

Mr. Hughes, feeling that he had been misled by the Navy Department and that it was important for him to receive direct information from us in regard to matters concerning the Washington Treaty, then said: "Would I consider the question of asking my Government to let him know naval details so that he might be less dependent on the Navy Department?" I said certainly I would do that.

Bringing him again to the point, I asked: "May I ask you to decide on Monday what form this repudiation will take?" Mr. Hughes replied: "I will take it up on Monday."

Before closing the conversation, I said that, in view of the information that he had given me, which showed that all the misunderstanding was the result of positive though incorrect reports from the United States naval attaché in London, which fact I was compelled to report, I could not avoid feeling that Captain Hussey's position had been made peculiarly unpleasant. I meant this as a criticism of the United States Navy Department. He took it as a hint that in my judgment Captain Hussey's presence in London might no longer be acceptable to His Majesty's Government, and at once launched into a defence of that officer, and said that Captain Hussey was a good fellow and had a career to think of; that the matter would be settled between the Governments without individuals being drawn into it. He then said that it all came back to politics. I thereupon remarked that that might be all very well, but it was a matter of great concern to my Government, who wished the most amicable relations to exist and who were determined to uphold the treaty in letter and spirit, that they were accused of secretly making alterations in the main armament of the retained capital ships. It would be hopeless if we were to be expected to pay no attention to such things because of "American politics." Mr. Hughes then broke off into a dissertation about his desire to avoid all suspicion and the President's desire to avoid useless expenditure, but it was impossible for the latter to lay himself open to the political attack that he had foolishly given away the safety of the United States by permitting its battle fleet to be outranged. Of course, he had no thought that the British and American fleets would ever meet except as friends, that any other talk was mere nonsense, that there was no real sense in comparing the strength of the fleets, but what was the range of our guns? To this I replied there was nothing further I could say on that point.

In conclusion, I would observe that the attitude of Mr. Hughes, or rather the manner in which he approached the question, was throughout most unsatisfactory. He is constitutionally inclined to pride himself on never making mistakes, and he takes pride in never correcting anything he says or writes. I felt that his constant return to the question as to what is the range of our guns was not only disingenuous, but a deliberate attempt to divert attention from the point at issue. He not unnaturally wants, I fancy, to be able to say that though on the minor point of change in elevation he was misinformed, the fact remains that the British turret guns outrange the American, and that therefore on the main point his statement was accurate and did not mislead either Congress or the public. If this were possible, either he or the Secretary of the Navy would make their retraction a formal announcement that the American battle fleet was outranged, and that the Administration was taking steps within the purview of the treaty to safeguard the interests of the United States.

In my opinion the United States naval attaché in London has probably been deliberately used as a tool by the naval authorities here. His reports, as communicated to me, are absolutely positive, and suggest that he had definite information which was beyond question. Having heard them read, it is difficult for me to believe that he is honest in intention. If he or the Navy Department had taken the trouble to sift the matter, it would have been easy for them to obtain accurate information. Unfortunately, a considerable number of United States naval officers have no intention of accepting the treaty if they can avoid it. But even short of disturbing the treaty, by hook or by crook they intend to get money out of Congress for expansion in those directions in which no limits are imposed by that instrument. This whole episode is part of a propagandist campaign in favour of a strong navy. As Mr. Hughes himself said to me once, there are men in the United States navy who think of nothing else but one day fighting the British fleet; they have no sense of international affairs or of policy; their one ambition is to make their country overwhelmingly the

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strongest naval Power. They thought that position was within their grasp; the Washington Conference dashed their hopes to the ground, for the time being. I should add in fairness that many United States naval officers who work for a strong fleet are not anti-British. What they wish to see is America first.

I have, &c.
A. C. GEDDES.

Enclosure in No. 1.

Memorandum.

IN a conversation with the Secretary of State on the 1st instant, His Majesty's Ambassador drew attention to statements made before the Committee on Naval Affairs of the House of Representatives by the Secretary of the Navy on the 22nd January, 1923, which conveyed the impression that an increase in the elevation of the turret guns of British warships had recently been undertaken by His Majesty's Government. The Secretary's statements to which attention was drawn were as follows:—

On Monday, the 22nd January, 1923, during a hearing on the Bill, H. R. 13997, to increase the efficiency of the United States navy, and for other purposes (elevation and range of turret guns), before the Committee on Naval Affairs, House of Representatives, the Secretary of the Navy stated that an appropriation of 6,500,000 dollars was urgently required this session for the purpose of modernising certain ships now somewhat obsolete "owing to the activities of other Powers in modernising their ships."

This work, he said, consisted of (1) elevation of guns to increase their range; (2) additional deck protection against airplane bombs; (3) additional protection in the shape of blisters.

Secretary Denby stated "most of these have been done in connection with the British ships . . . . and perfectly proper, because they come within the purview of the provisions of the treaty. We think our navy should be on a parity with their navies in the strength of the individual ships, and the only way to do that is to elevate the guns by such necessary structural changes as do not contravene the terms of the treaty, by adding additional sheathing on the decks . . . ." Asked when the British and Japanese made these more or less extensive modernising repairs on their ships, Secretary Denby replied: "They began them before the conference was held."

Attention was also drawn to a statement in the same sense made by Mr. Hicks in the House of Representatives on the 16th February in the course of the debate on this question which conveyed the impression that Great Britain was still making alterations to the gun armament. "They have elevated their guns on most of their ships, and they are doing work on some of the other ships."

The matter again came before the House on Monday, the 26th February. It was argued that increasing the range of the guns was equivalent to a change in the mounting. Mr. Hicks's statement was again calculated to convey the impression (P. 4733 of Congressional Record of the 26th February, 1923) that Great Britain was employed in altering the elevation of her guns: "All that is proposed here is the reconstruction of these ships as Great Britain is doing now with her fleet, as she was doing at the time of the conference, and as Japan is doing—all within the purview of the agreements."

His Majesty's Ambassador pointed out that the House of Representatives presumably gained the impression that Great Britain was engaged at the present moment in effecting elevation alterations. In point of fact, however, no such work had been undertaken. At so recent a date as the 5th January, 1923 (*i.e.*, seventeen days before Mr. Denby's statement to this committee), this circumstance was made perfectly clear to the United States naval attaché in London, as will be seen from the following correspondence:—

"Dear Sir Oswyn,
"Confirming my oral
receiving from the Admir
the modernisation of ships
way, or completed since t
affected, and particularly
additional deck armour a
that date.

"Sir Oswyn A. R. Murra
"Admiralty, S.W.

"Dear Captain Hussey,
"In reply to your le
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to say:—

"The only reconstruc
has been completed since t
the heading 'Reconstructi

"'Furious.' In proc
reconstruction w
"'Renown.' About
similarly to the
Part 3, Section I
"'Royal Sovereign.'
"'Royal Oak.' Has

"No increase in gun
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"No additional deck
date mentioned. The Boar
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in the above-quoted sectio
financial situation allows.

"Captain C. L. Hussey, C

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On the 5th instant Sir Auc
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"*American Embassy,*
"*Office of the Naval Attaché,*
"*London, January* 5, 1923.

"Dear Sir Oswyn,

"Confirming my oral request of this date, the naval attaché will appreciate receiving from the Admiralty such details as may be immediately available of the modernisation of ships of the Royal Navy that has been undertaken, is under way, or completed since the 6th February, 1922, giving the names of the ships affected, and particularly what increase in gun elevation, installation of additional deck armour and under-water protection has been given them since that date.

"Very sincerely yours,
"C. L. HUSSEY,
"*Captain, U.S. Navy, Naval Attaché.*"

"Sir Oswyn A. R. Murray, K.C.B.,
"Admiralty, S.W."

"*Admiralty, Whitehall, January* 5, 1923.

"Dear Captain Hussey,

"In reply to your letter of to-day, and confirming the information given verbally by the Controller of the Navy and myself this afternoon, I write to say :—

"The only reconstruction work that has been undertaken, is under way or has been completed since the 6th February, 1922, relates to the ships shown under the heading 'Reconstruction' on p. 238 of the navy estimates, viz. :—

"'Furious.' In process of being converted into an aircraft carrier. (This reconstruction was in hand before the Washington Conference.)
"'Renown.' About to be taken in hand for bulging, and for rearmouring, similarly to the 'Repulse,' as specifically provided for in Chapter II, Part 3, Section I (*d*), of the draft treaty.
"'Royal Sovereign.' Bulging has just been completed.
"'Royal Oak.' Has just been taken in hand for bulging only.

"No increase in gun elevation has been given to any of our ships since the date mentioned, nor is it in contemplation to give any.

"No additional deck armour has been given to any of our ships since the date mentioned. The Board's intention is to continue the programme of bulging, but to leave the question of providing additional deck protection, as mentioned in the above-quoted section of the draft treaty, for later consideration when the financial situation allows.

"Believe me,
"Yours very truly,
"O. A. R. MURRAY."

"Captain C. L. Hussey, C.M.G., U.S.N."

Having regard to the foregoing, Sir Auckland Geddes felt convinced that the United States Government would wish to issue some statement in order to correct the misapprehension which had undoubtedly arisen in the public mind as a result of the statements made before the House of Representatives.

In his reply, the Secretary of State declared that he also was clearly under the impression that work had recently been undertaken to increase the elevation of British guns. So much so that he had, on the authority of the Navy Department, made a public statement to this effect at New Haven on the 29th December last. The passage to which Mr. Hughes referred ran as follows :—

"The result is that in a considerable number of British ships bulges have been fitted, elevation of turret guns increased and turret-loading arrangements modified to conform to increased elevation."

In the circumstances, the Secretary of State promised to make enquiry of the Navy Department and to continue the discussion with His Majesty's Ambassador at a later date.

On the 5th instant Sir Auckland Geddes again referred to the matter, and was informed by Mr. Hughes that he was in receipt of a letter from Mr. Denby to the effect that the statements of the Navy Department were based on the fact that modifi-

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cations in the elevation of British guns on vessels in commission had actually been seen by American naval officers and that the United States naval attaché in London had reported that firing had been carried out at 30,000 yards.

To this Sir Auckland Geddes replied that he could only imagine that the naval officers must be under a misapprehension. Minor modifications had been made to the sights to admit of the effective use of the maximum elevation for which the mountings were designed and constructed. This work, which was completed by the end of 1916—that is, before the United States entered the war—is possibly that to which the officers referred.

Referring again to Mr. Hughes's statement of the 29th December, Sir Auckland Geddes desired to declare categorically that no alterations had been made in the elevation of the turret guns of any British capital ships since they were first placed in commission, and, further, to point out that no additional deck protection had been provided. The position had been clearly set forth in the letter from Sir Oswyn Murray to the United States naval attaché of the 5th January, 1923.

Having regard to the precise statement of fact which had been made in writing to the United States naval attaché in London on the 5th January (also, it appears on enquiry, on three occasions since), and verbally to the Secretary of State by himself, Sir Auckland Geddes trusted that some corrective statement would be made. The Secretary of State promised to consider the matter further, and suggested that the verbal statements made by His Majesty's Ambassador should be recorded in the form of a memorandum and communicated to the State Department. This Sir Auckland Geddes undertook to do.

Since the conversations above recorded took place, Sir Auckland Geddes has ascertained from His Majesty's Government that no firing practice has taken place at 30,000 yards, as stated in Mr. Denby's letter to the Secretary of State.

In concluding the present memorandum, His Majesty's Ambassador desires to draw attention to the following quotation from the "Army and Navy Journal" of the 6th January last :—

"(Extract from Weekly Washington Letter by E. B. Johns, Washington Correspondent.)

". . . . Great Britain was the first to see the importance of bringing existing battleships up to the highest state of efficiency. While she had been pleading poverty, she has been modernising a number of her ships. United States naval authorities now contend that by this policy she has disturbed the 5—5—3 ratio provided for in the arms treaty. . . . . "

This statement and others of the same character are calculated to arouse in the public mind suspicions in regard to the good-faith of a friendly Power signatory to the Washington Treaty for the limitation of naval armament. Such statements appear to owe their origin, at least in part, to the official pronouncements to which reference has been made above. Sir Auckland Geddes feels assured that there is nothing further from the minds of American naval experts than to foster the growth of those sentiments of mistrust which it was one of the primary objects of the Washington Conference to dispel. He looks confidently to the issue of a statement which will place the facts correctly before the public.

Washington, March 15, 1923.

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[A 1895/1895/45] No. 1.

Sir A. Geddes to the Marquess Curzon of Kedleston.—(*Received March* 28.)

(No. 333.)

My Lord, *Washington, March* 19, 1923.

I HAVE the honour to inform you that public opinion in the United States is at present passing through an interesting phase. There is no doubt that, since the terms of the debt settlement were announced, there has been a distinct growth of feeling, among the common, unthinking mass of Americans, less friendly to Great Britain. So far as I am able to ascertain this is due to three main streams of thought running in their minds.

First, that somehow we out-negotiated the American Debt Funding Commission and secured for ourselves terms so favourable as to be less than just to the American taxpayer. "Too clever to be fair" is a phrase which perhaps expresses the common, ignorant American's view of us, so far as the debt terms are concerned.

Second, the ordinary American believes that Great Britain defeated the Ship Subsidy Bill in the Senate. The assumption seems to be that we crudely bought a sufficient number of senators to make a successful filibuster possible. The artisans of Washington say that the British Embassy "double crossed" the American people.

Third, much anti-German war feeling persists. We are supposed, chiefly on the basis of Mr. Lloyd George's articles, published in the Hearst press and other newspapers, to be anti-French, and therefore pro-German. In other words we are supposed to have changed sides. "Turncoats" is a name which comes easily to the tongue of a man, probably a "veteran" (*i.e.*, a man who wore uniform sometime during the war), who views us as throwing away the fruits of an American (his) victory.

These three thoughts are almost strictly confined to really ignorant, common people, not of German descent, who have been taught that France is the eternal friend of the United States, and that Lafayette lives for ever in the minds and hearts of all true Americans. Better educated people of course are not so silly. As investigation of opinion comes up the social ladder, there is less and less hostility to Great Britain to be found, except among those who have been admitted to the Legion of Honour, and who, as a result, are in the great majority of cases unreasoningly pro-French, and among a certain number of tiresome society women who always talk about "dear Paris" and "the delightful French." Finally the Secretary of State and the President have little sympathy with France and none for M. Poincaré.

Among the newspapers of the Eastern seaboard, the New York "Tribune's" motto appears to be "France, right or wrong!" The others are recovering their American mental status, and reflect the various shades of public opinion.

In spite of what I have said, as discussion goes on, it seems to me that the French attitude is being, and will be, seen more clearly, and I am of opinion that the feeling for France is now at its height. Forecasts of movements of American public opinion are usually unreliable. Still, I venture to say that I anticipate that the swing of ignorant opinion in this country to an anti-British position will tend to reverse itself at an early date, that the opinion of the educated classes will spread, and that, if it becomes clear that France intends to dismember or disrupt Germany, American opinion will swing definitely against her.

I have, &c.
A. C. GEDDES.

[257 ee—4]

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[A 533/64/45] No. 1.

Sir A. Geddes to the Marquess Curzon of Kedleston.—(Received January 29.)

(No. 54.)

My Lord, *Washington, January 18, 1923.*

WITH reference to my despatch No. 1407 of the 19th December, 1922, I have the honour to inform you that on the 18th December I received a courteous invitation from Mr. Davis, the Secretary of Labour, to visit Ellis Island. I accepted this invitation, and on the 28th December, 1922, I visited the island and inspected the institutions there.

Ellis Island consists, as you will see in the attached photographs,* of three islands. On No. 1 stand the buildings of the immigration station, on No. 2 the general hospital, on No. 3 the isolation hospital.

I saw the immigration station thoroughly, and enough of the general hospital to arrive at a fair idea of its state of efficiency. I had time merely to glance at the isolation hospital. I propose to give my impression of these establishments in order.

1. *The Immigration Station.*

(Administrative Officer: Mr. Robert E. Tod, Commissioner of Immigration, Port of New York.)

(a.) *Staff.*

Mr. Tod is a gentleman of independent means, who, some fourteen months ago, accepted office as Commissioner of Immigration at the Port of New York. He is a sympathetic, kindly, energetic and efficient man, who holds office for patriotic reasons. Any country might be proud to point to him as one of its officials. Mr. Tod has spared neither time, thought nor pocket in his efforts to make Ellis Island humanely efficient.

I met several members of the immigration staff. They seemed to me to be suitable and efficient.

(b.) *Buildings.*

I was not favourably impressed by the plan of the buildings of the immigration station. On this subject, after only one visit, I am little inclined to express a definite opinion. It appeared to me, however, that much space on the ground floor that would be invaluable, if available, was practically useless because of insufficient provision for ventilation. Some of the rooms in use as waiting-rooms for those who had to appear before boards are inconvenient of access. Similarly, some of the sleeping rooms impressed me as unsuitable to house the numbers that in rush times spend the nights in them.

The lavatories, with latrine and urinal accommodation, open directly out of the sleeping and living rooms. This seems to me to be an inevitably unpleasant arrangement, especially in view of the fact that many, perhaps a majority of the immigrants, are unfamiliar with the pattern of conveniences in use in North America. Some of the immigrants are, I was told by the Secretary of Labour, apt to mistake the sanitary hoppers for drinking troughs, and the floor, or some drainage channel in it, for a latrine pit.

The rooms provided for the medical boards are unsuitable and inadequate. No effort has been made to adapt them through structural alteration to their present purpose.

While it is obviously necessary that the drifting crowd of immigrants who have to be handled in the building be prevented from straying and getting lost, I can quite understand that persons of some refinement and intelligence sent to Ellis Island resent the locked doors and wire "cages." These are much in evidence, and inevitably suggest imprisonment. I am satisfied, though, that the work of the

* Not reproduced.

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immigration station could not be done without them. To unlock the doors and leave them open and to remove the " cages " would produce chaos worse confounded.

Something is now being done to renovate the paint-work and to effect minor repairs. This has been too long delayed, and the buildings have been allowed to fall into a bad state. The roof in parts requires attention. This it is to receive. There can, however, be no doubt that the amount of money expended on upkeep has for years been insufficient, even to maintain the property.

My general criticism of the buildings is that they are too small. Further, the immigration laws have been altered since they were built, and, however suitable they may have been at the time of their erection, they do not quite meet the present requirements. The attempt has been made through makeshift arrangements to adapt them to their modified purpose. I understand that the superintending architect of the United States Government is now considering how they can be better adapted. I have no doubt that further improvement is possible. It is difficult to see, however, how anyone can rearrange the buildings and grounds to make them really suitable. The ideal " Ellis Island " would have, I imagine, ground round it so that those whose sojourn there could not be brief would have space to move about and to get away from what must often be a nauseating contact with their companions in detention.

(c.) *Condition of the Buildings.*

Cleanliness must in the circumstances be difficult to achieve. Many of the immigrants are innocent of the most rudimentary understanding of the meaning of the word '"clean." I feel sure that a great effort is made to overcome the difficulties this produces. Still, I noticed in many corners impacted greasy dirt that it was possible to say with certainty had been there for many days, if not weeks or months. The impression that I received was that the cleaning is done with long-handled brushes and mops with, at times, aid from a cold-water hose. Nothing but hot water, strong soda and soap freely and frequently applied with a scrubbing-brush will serve if real cleanliness is to be obtained. As a result of the presence of chronic dirt, the buildings are pervaded by a flat, stale smell. This is quite distinct from the pungent odour of unwashed humanity. Both are to be met at Ellis Island. Indeed, the compound smell of old dirt and new immigrants is so nearly universal there that I should not be surprised if it were no longer noticed by the members of the staff. After leaving the island, it took me thirty-six hours to get rid of the aroma which flavoured everything I ate or drank.

(d.) *Arrangements for Immigrants detained on the Island*

Sleeping accommodation for immigrants and detained persons is provided chiefly in two-tiered bunks. These, in most of the sleeping rooms, are arranged in wire cages, the alley-ways being roofed over with stout wire net.

I am sure that it is necessary to encage the bunks to prevent thefts and even more unpleasant outrages. Yet I can understand a certain reaction of annoyed surprise on the part of those whose early experiences were of decent surroundings on being told to go to bed in a cage, even though the cage is necessary and provided for their protection.

The actual surface upon which the immigrant reclines is either woven wire or canvas, supported on metal laths. The canvases that I examined had not been long in use, not more than a few months, but Mr. Tod said that they were not regularly changed or cleaned.

I cannot help thinking that it must be very unpleasant to sleep in the lower of these two-tiered berths, when ill-luck places a brutalised sort of creature in the berth above. The Secretary of Labour informed me that cases have been known where the different calls made by nature on the upper berth-holder are responded to without his or her rising from the " bed." In any such instance it seems to me the immigrant in the lower berth has grounds for complaint against the officials who put him there. I cannot believe that instances of this hardship are numerous on a percentage basis.

Five blankets are issued to each immigrant every night. Of these, two are intended to be spread on the wire or canvas and three to be used for cover. These blankets are of satisfactory quality and are sterilised as often as possible. Unfortunately the sterilisation plant cannot deal with all the used blankets every day. As a result, some of the blankets may be used by more than one immigrant between sterilisations. It is not difficult to believe that this may at times produce hardship for the later users.

A cake of soap and two pap
grant detained overnight. The
there is no privacy. I have hea
factious. Similarly, some peop
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(e.) *Food and Feeding.*

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A cake of soap and two paper towels are also issued each evening to each immigrant detained overnight. The washing accommodation is good, though, of course, there is no privacy. I have heard this complained of. Such a complaint is merely factious. Similarly, some people do not like paper towels. Personally, I prefer them to cotton or linen towels in public wash-places.

(e.) *Food and Feeding.*

The food is of good quality and well cooked. The dining room is the cleanest room in the building, when meals begin. It is impossible, however, for any staff to keep it clean during meals, owing to what may be incorrectly described as the "table manners" of the guests, who incidentally use the floor as a universal slop bowl and refuse can.

The dining tables are covered for each meal with clean paper "cloths." The table ware is white glazed, thick, but not too thick, and strong. It seemed to me admirably suited to its purpose.

There are special arrangements for the feeding of immigrants of the Jewish faith which, so far as I am able to judge, are satisfactory. I have heard of no complaints with regard to them.

Generally, I thought the arrangements for feeding the best that could reasonably be expected to be made for the present sort of immigrant in the existing building. I attach a copy of the bill of fare for the 28th December, 1922. I personally saw the dinner served. It was excellent.

The kitchen seemed to me to be well equipped and efficiently managed.

That is all, I think, that need be said at this time about the staff and the buildings of the immigration station and the arrangements to board and lodge those detained at the station, except this :—

> Ellis Island is a Government institution, and, like all Government institutions in all countries, it is almost aggressively institutional. It is impossible for anyone on the island, whether on the staff, an immigrant, a "deportee," or even a visitor, to escape from the pervasive sense of "institutionalism."

The essential problem of Ellis Island is not, however, its institutionalism, or its arrangements for boarding and lodging immigrants, or its buildings, or even its staff. It is the immigrants and would-be immigrants who create it. If they were all accustomed to the same standards of personal cleanliness and consideration for their fellows, Ellis Island would know few real difficulties, but they are not. Those who pass through the immigration station range from the highly educated and gently nurtured, now fallen into straitened circumstances, to the utterly brutalised victim of poverty and oppression in some scarce civilised land. They speak many tongues and dialects. They all, lady, prostitute, mechanic, rabbi, and what-not, are frightened, nervous, shy and strange to their surroundings. They are quite ignorant, too, of what is expected of them and have no conception of what is going to happen next, or why anything happens. Anxious and worried old men and women, young men, girls and little children drift about rooms into which they have been put, or crowd round doors which they think may open. The units in this heterogeneous mass of humanity obviously dislike some of their contacts with one another and yet like sheep follow where any leads. Like sheep, too, they have to be herded and, by hurdles, kept from straying.

It really is remarkable to see how well the miserable mobs of nervous human beings, with all their worldly goods, are manœuvred through the legally necessary examinations and are despatched to their destinations. The officials certainly deserve credit for what they do achieve. Still, detention on Ellis Island must be a hateful experience for all of any sensibility who pass its portals.

When a barge-load of immigrants arrives at the island wharf, the crowded people pass on shore and are quickly scrutinised for signs of infectious disease. If a child has developed measles, let us say, he is picked out for treatment in the isolation hospital. The mother passes on with the crowd. Her feelings may be imagined.

The crowd files into the waiting rooms. These are caged with heavy wire net. It is necessary that they should be to prevent individuals straying. Still, the mental effect cannot be added happiness. From the waiting room the men and women are called out in batches, male and female, for examination by the medical officers. It is obviously impossible precisely to synchronise the calling out of the males and females of the same party. Not understanding what is happening, strange and nervous, some of the wretched immigrants believe that they are being separated from their friends

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for ever. The Commissioner of Immigration told me that this calling of a man into one room and his wife into another, even though they are only to be separated for a few minutes, leads in some cases to pathetic scenes.

However, they are at length shepherded to the appropriate room. There an unpleasant experience awaits them. The rooms were not designed to provide facilities for the sort of medical examination now required by law. The arrangements are makeshift. During the years that I was Director of Recruiting and Minister of National Service I saw many medical boards in Great Britain. Until the whole recruiting medical service had been reformed by Sir James Galloway, many of them were very far from perfect. Still, no recruiting medical board that I saw was quite so badly accommodated as the medical inspection board I saw at work at Ellis Island. No separate dressing rooms or cubicles are provided. The men strip to their trousers in a crowd jammed between coat-racks. They have to pile their things on the racks higgledy-piggledy—the clean clothes of the washed on the foul clothes of the unwashed. Personally, I thought it disgusting for the washed.

There were five doctors at work when I saw the board. Their duty is to ascertain whether or no each man is free from certain scheduled diseases and transient infections. If the existence of a scheduled malady is suspected, the individual concerned is sent to hospital for diagnosis. No attempt at final diagnosis is made by the board. This is the deliberate policy, and I am sure it is perfectly sound and fair to the immigrants. The inspections that I saw were, from the professional point of view, considering their purpose, thorough and effective; from the point of view of a sensitive immigrant distinctly unpleasant, I should imagine.

The line of male immigrants approached the first medical officer with their trousers open. The doctor examined their external genitals for signs of venereal infection. Next he examined the inguinal canals for hernia. The doctor wore rubber gloves. I saw him "do" nine or ten men. His gloves were not cleansed between cases. I saw one nice, clean-looking Irish boy examined immediately after a very unpleasant looking individual who, I understood, came from some Eastern European district. I saw the boy shudder. I did not wonder. The doctor's rubber gloves were with hardly a second's interval in contact with his private parts after having been soiled, in the surgical sense at least, by contact with those of the unpleasant looking individual.

The examinations of the heart and lungs, &c., of the male immigrants seemed to be effectively and expertly made.

The examination of the female immigrants is made by women doctors. The arrangements for undressing are similar to those for the men. There is no examination of female genitalia except in cases suspected of venereal disease, when privacy is provided.

I saw no mental tests performed, but I saw the rooms in which these examinations are made. Their equipment seemed to me effective and adequate.

From the medical inspection rooms the immigrants who are not put back for further examination, proceed to a great central hall. Here, if everything has gone well, the family parties are reunited. Most efficiently the people are organised into groups corresponding to the ship's lists, and pass before the inspectors, who test their capacity to read and see that there is no reason to doubt their eligibility to land. Those that are granted entry, the vast majority of all immigrants, are now done with Ellis Island and at once get away to New York, or if they are going west, pass to the railway booking hall, where they exchange their vouchers for rail tickets, are told when they will start and how they will be taken to the railway station. Their baggage is skilfully and expeditiously handled. They can purchase at surprisingly low cost most excellent food for the journey and then they, too, get away, done with Ellis Island for ever. All the arrangements for handling admitted immigrants are efficient and reflect high credit on those concerned. They are, in fact, a very good example of American business administration.

Apart from the admitted immigrants, there are first the temporarily detained, *i.e.*, those who are admitted, but who for some reason cannot leave the island at once. Possibly they are waiting for money from friends to complete their journeys, perhaps to California. Possibly they are waiting for an hour or two till friends arrive to pilot them to their new homes. Possibly all members of a family but one have been readily passed in, and that one may have had to go to the hospital for diagnosis. Pulmonary tuberculosis may be suspected or mental deficiency, or there may be a suspicion of contract labour attaching to one of the party, or illiteracy.

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for a delayed child, or a father with his children anxiously watching for his wife to come to him. The very heart of the tragedy of Ellis Island is in the room of the temporarily detained. It is no one's fault and cannot be avoided, unless immigrants to the United States are to be finally approved for admission in their own land before they set out upon their journey.

Large numbers of the immigrants have to go before a board to determine whether or not they may be admitted. I saw five or six of these boards at work. The proceedings were decorous and seemly; the arrangements for witnesses who come to speak for or against the admission of an immigrant are good. Every immigrant rejected by a board is told of his right to appeal to the Secretary of Labour in Washington.

This arrangement, the theory of which is probably right, is in practice nothing short of diabolic. For days some wretched creature is kept in suspense. The appeal board at Washington, which advises the Secretary of Labour, works on paper records, tempered, I have heard it said, by political pressure. The Secretary of Labour may be busy, overwhelmed, perhaps, with work in connection with some labour dispute, or anything. Days slip by, into weeks sometimes, before a decision is reached. When the doubt affects one member of a family, perhaps a child, the mental anguish must be excruciating. The system is to blame. In my judgment there can be no question that power to decide should be delegated by law to someone on the spot with the facts and the people before him. If the United States Government will expedite the decision of appeals so that the results can be announced within twenty-four hours of the completed collection of the facts, the anguish of Ellis Island will be appreciably reduced.

In addition to immigrants, Ellis Island has to receive stowaways and men and women ordered to be deported. The conditions under which these unhappy creatures and those refused admittance for being in excess of quota spend their time on Ellis Island are perhaps as satisfactory as the building will permit. Personally, I should prefer imprisonment in Sing-Sing to incarceration on Ellis Island awaiting deportation. To add to the mental torments of those sentenced to deportation, well-meaning, kindly people, with heads softer even than their hearts, seek to entertain them with what are called "Americanisation" addresses and cinematograph films. The purpose of these is to tell immigrants how great a country America is and to make them good citizens. A "Red" under sentence of deportation has possibly views of his own on the subject of the United States. So, too, possibly have those who are to deported because they are in excess of their national quota.

As a matter of fact, what Ellis Island needs, in my judgment, is to be relieved of the presence of about one-half of the people who are poured into it. If a deportation station were established somewhere else with suitable buildings and reasonably extensive grounds much would be gained, but there certainly ought to be increased accommodation for immigrants. Before seeing Ellis Island I had imagined that segregation by nationalities might be possible. I am now satisfied that it is not. The flow of immigrants from each nation is too irregular to permit of any satisfactory system of national segregation being devised, and yet some division of the immigrant stream seems to me essential if Ellis Island is not to be abandoned and a new and larger station built elsewhere. After considering the matter with some care, I have come to think that it might be feasible to divide the stream into its Jewish and non-Jewish parts. Persons of the Jewish faith require special food and special utensils, and their being mixed with Christians on the island undoubtedly creates considerable administrative difficulty.

Whether the Jews should be sent to Ellis Island or to a new station seems to me to be a matter of no importance. The fact is that Ellis Island is too small to accommodate in comfort the numbers of immigrants that come to the port of New York. It is also a fact that to divide the stream by nationalities would introduce more administrative difficulties and, I believe, more real discomfort than it would cure. To divide the stream on the basis of its food requirements seems to me administratively feasible. In the dining-rooms that division has to be made in any event. I am well aware that all proposals to separate human beings on a basis of religious belief are certain to meet with opposition, and that failures to meet special religious requirements, as in the case of food, are equally certain to meet with opposition.

I believe that the choice of the United States Government is by circumstances limited to three possibilities: (1) To continue Ellis Island as at present, with such minor improvements as are possible; (2) to build a relief station and to supply at it,

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or at Ellis Island, but not at both, food prepared in accordance with the Jewish ritual and to send all immigrant Jews to that station and all non-Jews to the other; or (3) to abandon Ellis Island and build a completely new station somewhere else in New York Harbour or on its shores.

Undoubtedly, to improve Ellis Island is for the United States Government to follow the line of least resistance.

I have not so far spoken of the so-called first- and second-class accommodation on the island. Possibly the best comment on this was made by Mr. Tod when he said: "I am trying to get all the fittings replaced and the rooms painted." There can be no doubt that he accurately appreciates what these rooms need if they are to remain in their present sites in the existing buildings. Rooms lighted by skylights and ventilated from a hall are, however, not really pleasant, especially when the hall itself is in need of ventilation.

2. *The Hospital.*

(Medical Superintendent: Dr. Billings.)

The hospital and medical service are not, I understand, under the Department of Labour, but under the Secretary of the Treasury. This administrative provision seems to create less difficulty than might have been expected. The reason for this lies largely, if not entirely, in the personalities of Mr. Tod and Dr. Billings. The principal medical officer seemed to me to be an admirable official as well as a competent and enthusiastic practitioner of the art of medicine.

His hospital arrangements are good. It is true that the buildings are in need of new paint and minor repairs. Some construction is also needed, and the technical equipment, though not bad, might be improved.

It is difficult to judge in such a matter, but my impression is that the nursing and ward maid (or ward orderly) staff might be strengthened with advantage.

The hospital has to deal with every sort of disorder, ranging from slight injury to obscure tropical diseases. It is at once a maternity home and an asylum for the insane. On the occasion of my visit there was at least one patient there, a young woman, who has spent ten months in the psycho-pathic ward. This real hardship to the patient was caused by her friends maintaining a legal fight to secure her admission. That she was mentally deranged was painfully obvious. Yet there she had remained for ten months in an environment not unsuitable for an insane person detained for a few days, but wholly unsuitable for long-continued residence with a view to cure or recovery.

On the whole, I thought the hospital arrangements good. I inspected the laundry, which I found to be efficient.

3. *The Isolation Hospital.*

I had time merely to glance at the hospital for persons suffering from infectious diseases.

The general lay-out is good, and the kitchen is excellently arranged and equipped. The quality of the food is good. The wards seemed comfortable and decently kept.

Here, as elsewhere, more money for maintenance to the structure is obviously necessary.

The pathological laboratory for the whole medical service on the island is situated at the end of the isolation hospital. I judge it to be efficient and reasonably adequate. It, like every other department on the island, needs more money to spend on upkeep.

After seeing Ellis Island and studying its problems, I believe that it is true to say that it is impossible to administer any immigration station under existing United States laws without hardship and tragedy. If a system could be devised which would prohibit persons desiring to come to the United States from sailing from Europe or elsewhere without the certainty of admission to the United States, the problem would be almost entirely solved.

At present United States consuls, when granting a visa to passports to the United States, may mark the visa with the number of the regulation which they believe that individuals entering the United States would violate. Not only so, United States consuls abroad send communications through the mails to the Commissioners of Immigration saying that they have issued passports to such-and-such persons who are sailing on a particular boat on a specified day, and that, in the

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judgment of the United States consul, they should not be allowed to land. I feel quite sure that this does not unfairly bias the judgment of the immigration authority, but, if an individual is clearly not eligible to enter the United States, it would, in my judgment, be kinder to prevent him sailing from Europe or elsewhere than to let him reach Ellis Island and there turn him back.

It is clearly a difficult problem that presents itself for solution. If I were asked to advise the reponsible authorities, I should recommend twelve things :—

1. Put the existing buildings into a thorough state of repair and alter the latrine arrangements.
2. Arrange for these buildings to be maintained structurally and to be kept thoroughly clean.
3. Arrange through structural alteration for proper medical examination rooms.
4. At least refurnish, but if possible replace, the present first- and second-class rooms by rooms with windows looking to the outside, as the third-class rooms have.
5. If possible, through structural alteration, improve the ventilation of the downstair rooms so that they can be freely used in the work of handling the crowds of immigrants.
6. Do everything to expedite the handling of the immigrants, especially in the matter of appeals.
7. Provide a new station for criminal deportees (prostitutes, "Reds," &c.).
8. Provide a new station for those requiring kosher food (or, alternatively, let Ellis Island be the "kosher" station and provide a new station for the rest).
9. Authorise United States consuls to refuse visas to the passports of those obviously prevented by law from entering the United States.
10. Arrange, if possible, for all immigrants to be finally approved or disapproved in their home lands.
11. Abandon the quaint custom of delivering lectures on Americanisation to criminal and other deportees. Strangely, this well-meant activity seems to be more annoying to its victims than any other single detail in the life of Ellis Island.
12. Brighten up the hospital interiors with fresh paint and keep them even still more scrupulously clean.

In conclusion, I noticed a desire upon the part of officials to say that Ellis Island is as good as any immigration station in any land. It may be. Still, it is quite certain that no other nation's principal immigration station has the same problem to solve, for the reason that the laws of the United States are not the same as those of any other nation.

I have, &c.
A. C. GEDDES.

P.S.—I have handed copies of this despatch to the Secretary of Labour, Mr. Davis, and to the Commissioner of Immigration at the Port of New York, Mr. Tod.

A. C. G.

Enclosure in No. 1.

IMMIGRANT DINING ROOM.

Bill of Fare for Thursday, December 28, 1922.

BREAKFAST.

Boiled eggs.
Coffee.
Bread and butter.

Milk served to all women and children.

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DINNER.

Beef broth with barley.
Boiled beef; vegetables, boiled potatoes; sour pickles.
Tapioca pudding.
Coffee.
Bread and butter.

Milk served to all women and children.

SUPPER.

Corned beef hash with green peppers.
Blackberry jelly.
Tea or Coffee.
Bread and butter.

Milk served to all women and children.

For all women and children, milk and crackers are served in the detention quarters between regular meal hours and are distributed at bed-time.

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[A 64/64/45] No. 1.

Sir A. Geddes to Sir Eyre Crowe.—(*Received January* 2, 1923.)

(No. 1407.)

Sir, *Washington, December* 19, 1922.

WITH reference to my despatch No. 1265 of the 17th November last, I have the honour to inform you that I have not forgotten the treatment of British subjects on Ellis Island. As occasion has arisen I have, through criticism and comment, kept the subject fresh in the mind of the United States Government. I hope that the result will be as satisfactory as I anticipate.

On Saturday, at the suggestion of the Secretary of State, I called upon the Secretary of Labour. His attitude was most friendly and helpful. He will, within ten days, visit Ellis Island accompanied by the Superintending Architect of the United States Government, with whom he will consult as to the possibility of erecting on the island separate quarters for English-speaking people. If there be no room there, space for the new buildings will be found on Governor's Island.

It is Mr. Davis's belief that Congress will approve the necessary appropriation.

We have now, I venture to think, passed the stage where there can be question of the justifiability of our complaint that proper provision is not made for British subjects detained in New York Harbour, and have entered a new stage, the end of which will be the construction of satisfactory accommodation.

I have, &c.
A. C. GEDDES.

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